

2026 Low-Income Housing Tax Credit Application For Reservation

Please indicate if the following items are included with your application by putting an 'X' in the appropriate boxes. Your assistance in organizing the submission in the following order, and actually using tabs to mark them as shown, will facilitate review of your application. Please note that all mandatory items must be included for the application to be processed. The inclusion of other items may increase the number of points for which you are eligible under Virginia Housing's point system of ranking applications, and may assist Virginia Housing in its determination of the appropriate amount of credits that may be reserved for the development.

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | \$1,000 Application Fee (MANDATORY) - Invoice information will be provided in your Procorem Workcenter |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application (MANDATORY) |
| <input checked="" type="checkbox"/> | PDF Copy of the Signed Tax Credit Application with Attachments (Tabs A-AB) (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications (MANDATORY) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab) |
| <input checked="" type="checkbox"/> | Electronic Copy of Unit by Unit Matrix and Scope of Work narrative (MANDATORY if Rehab) |
| <input checked="" type="checkbox"/> | Electronic Copy of the Physical Needs Assessment (MANDATORY at reservation for a 4% rehab request) |
| <input checked="" type="checkbox"/> | Electronic Copy of Appraisal (MANDATORY if acquisition credits requested) |
| <input checked="" type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested) |
| <input type="checkbox"/> | Electronic Copy of List of LIHTC Developments (Schedule A) and Signed Previous Participation Agreement |
| <input checked="" type="checkbox"/> | Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests (see manual for details) (MANDATORY) |
| <input type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab C: Syndicator's or Investor's Letter of Intent (MANDATORY) |
| <input type="checkbox"/> | Tab D: <i>Any supporting documentation related to List of LIHTC Developments or Previous Participation Agreement</i> |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab F: Third Party RESNET Rater Certification and Sample HERS certificates (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion using Virginia Housing template (MANDATORY) |
| <input checked="" type="checkbox"/> | Tab I: Nonprofit Questionnaire (MANDATORY for points or pool) |
| | The following documents need not be submitted unless requested by Virginia Housing: |
| | -Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status |
| | -Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable) |
| <input type="checkbox"/> | Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY if Rehab) |
| <input type="checkbox"/> | Tab K: Documentation of Development Location: |
| <input checked="" type="checkbox"/> | K.1 Revitalization Area Certification |
| <input checked="" type="checkbox"/> | K.2 Surveyor's Certification of Proximity To Public Transportation using Virginia Housing template |
| <input type="checkbox"/> | Tab L: PHA / Section 8 Notification Letter |
| <input type="checkbox"/> | Tab M: <i>(left intentionally blank)</i> |
| <input type="checkbox"/> | Tab N: Homeownership Plan |
| <input type="checkbox"/> | Tab O: Plan of Development Certification Letter |
| <input type="checkbox"/> | Tab P: Zero Energy or Passive House documentation for prior allocation by this developer |
| <input type="checkbox"/> | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Utility Allowance Calculation |
| <input type="checkbox"/> | Tab S: Supportive Housing Certification |
| <input type="checkbox"/> | Tab T: Funding Documentation |
| <input checked="" type="checkbox"/> | Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing |
| <input checked="" type="checkbox"/> | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal |
| <input checked="" type="checkbox"/> | Tab W: Internet Safety Plan and Resident Information Form |
| <input type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504 |
| <input type="checkbox"/> | Tab Y: Inducement Resolution for Tax Exempt Bonds |
| <input type="checkbox"/> | Tab Z: Documentation of team member's Veteran Owned Small Business certification |
| <input type="checkbox"/> | Tab AA: Priority Letter from Rural Development |
| <input type="checkbox"/> | Tab AB: Ownership's Veteran Owned Small Business Certification |

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 1/15/2026

1. Development Name: Commerce Heights

2. Address (line 1): 17th Street
 Address (line 2): Ingram Avenue
 City: Richmond State: VA Zip: 23224

3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 37.50846 Latitude: -77.43768
 (Only necessary if street address or street intersections are not available.)

4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:
 City/County of Richmond City

5. The site overlaps one or more jurisdictional boundaries. FALSE
 If true, what other City/County is the site located in besides response to #4?

6. Development is located in the census tract of: 607.00

7. Development is located in a Qualified Census Tract. TRUE *Note regarding DDA and QCT*

8. Development is located in a Difficult Development Area. FALSE

9. Development is located in a Revitalization Area based on QCT. TRUE

10. Development is located in a Revitalization Area designated by resolution or by the locality. FALSE

11. Development is located in an Opportunity Zone (with a binding commitment for funding). FALSE

(If 9, 10 or 11 are True, Action: Provide required form in TAB K1) **QCT are not eligible for census poverty points**

12. Development is located in a census tract with a household poverty rate of:

3%	10%	12%
FALSE	FALSE	TRUE

13. Development is located in a medium or high-level economic development jurisdiction based on table. FALSE

14. Development is located on land owned by federally or Virginia recognized Tribal Nations. FALSE

Enter only Numeric Values below:

15. Congressional District: 4
 Planning District: 15
 State Senate District: 14
 State House District: 79

16. Development Description: In the space provided below, give a brief description of the proposed development

New construction consisting of 230 units, composed of one, two and three bedroom units. Amenities will include in-unit washers and dryers, balconies, granite countertops, green space, clubhouse and fitness areas.

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 1/15/2026

17. Local Needs and Support

- a. Provide the name and the address of the chief executive officer (City Manager, Town Manager, or County Administrator of the political jurisdiction in which the development will be located:

Chief Executive Officer's Name: Odie Donald
 Chief Executive Officer's Title: Chief Administrative Officer Phone: 804.646.7000
 Street Address: 900 E Broad Street
 City: Richmond State: VA Zip: 23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Kevin Vonck | Director of Planning and Development Review | 804.646.3741

- b. If the development overlaps another jurisdiction, please fill in the following:

Chief Executive Officer's Name:
 Chief Executive Officer's Title: Phone:
 Street Address:
 City: State: Zip:

Name and title of local official you have discussed this project with who could answer questions for the local CEO:

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

a. If requesting 9% Credits, select credit pool:

or
b. If requesting Tax Exempt Bond credits, select the round.

For Tax Exempt Bonds, where are bonds being issued?

ACTION: Provide Inducement Resolution at **TAB Y** (if available)

2. Type(s) of Allocation/Allocation Year (skip for TE Credits)

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2026.

b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2026, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2026 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

Note regarding Type = Acquisition and Rehabilitation: Even if you acquired a building this year and "placed it in service" for the purpose of the acquisition credit, you cannot receive its acquisition 8609 form until the rehab 8609 is issued for that building.

4. Is this an additional allocation for a development that has buildings not yet placed in service?

5. Planned Combined 9% and 4% Developments

a. A site plan has been submitted with this application indicating two developments on the same or contiguous site. One development relates to this 9% allocation request and the remaining development will be a 4% tax exempt bond application.

If true, provide name of companion development:

a. Has the developer met with Virginia Housing regarding the 4% tax exempt bond deal?

b. List below the number of units planned for each allocation request. **This stated split of units cannot be changed or 9% Credits will be cancelled.**

Total Units within 9% allocation request?

Total Units within 4% Tax Exempt allocation Request?

Total Units:

% of units in 4% Tax Exempt Allocation Request:

6. Extended Use Restriction

Note: Each recipient of an allocation of credits will be required to record an **Extended Use Agreement** as required by the IRC governing the use of the development for low-income housing for at least 30 years. Applicant waives the right to pursue a Qualified Contract.

Must Select One:

Definition of selection:

Development will be subject to an extended use agreement of 35 additional years after the 15-year compliance period for a total of 50 years.

7. Virginia Housing would like to encourage the efficiency of electronic payments. Indicate if developer commits to submitting any payments due the Authority, including reservation fees and monitoring fees, by electronic payment.

Virginia Housing offers the Rental Housing Invoicing Portal to allow easy payments via secure ACH transactions. See Login at top right of our website. An invoice for your application fee along with access information was provided in your development's assigned Procorem work center.

C. OWNERSHIP INFORMATION

NOTE: Virginia Housing may allocate credits only to the tax-paying entity which owns the development at the time of the allocation. The term "Owner" herein refers to that entity. Please fill in the legal name of the owner. The ownership entity must be formed prior to submitting this application. Any transfer, direct or indirect, of partnership interests (except those involving the admission of limited partners) prior to the placed-in-service date of the proposed development shall be prohibited, unless the transfer is consented to by Virginia Housing in its sole discretion. **IMPORTANT: The Owner name listed on this page must exactly match the owner name listed on the Virginia State Corporation Commission Certification.**

1. Owner Information:

Must be an individual or legally formed entity.

a. Owner Name: Commerce Heights, LLC

Developer Name: Lift Develops, LLC

Contact: M/M ▶ Mr. First: Russell MI: Last: Harper

Address: 5607 Grove Avenue

City: Richmond St. ▶ VA Zip: 23226

Phone: (804) 282-6550 Ext. Fax:

Email address: Rharper@hdcva.com

Federal I.D. No. 393846018 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ▶ limited liability company Formation State: ▶ Virginia

Additional Contact: Please Provide Name, Email and Phone number.

Erik Smith | esmith@hdcva.com | 804.282.6550

- ACTION:**
- a. Provide Owner's organizational documents (e.g. Partnership agreements and chart of ownership structure (Org Chart) **(Mandatory TAB A)**
 - b. Provide Certification from Virginia State Corporation Commission **(Mandatory TAB B)**
 - c. Complete the Principals' Previous Participation Certification tabs within this spreadsheet. Include signed in Application PDF.
 - d. Complete the list LIHTC Developments (Schedule A) tabs within this spreadsheet. Include in Application PDF.

b. FALSE Indicate if at least one principal listed within Org Chart has a Veteran-Owned Small Business Certification and has at least 25% ownership interest in the controlling general partner or managing member as defined in the manual.

ACTION: If true, provide Virginia Housing Veteran Owned Small Business Certification **(TAB AB)**

c. FALSE Indicate True if the owner meets the following statement:

An applicant with a principal that, within three years prior to the current application, received an IRS Form 8609 for placing a separate development in service without returning credits to or requesting additional credits from the issuing housing finance agency, will be permitted to increase the amount of developer's fee included in the development's eligible basis by 10%.

If True above, what property placed in service?

D. SITE CONTROL

NOTE: Site control by the Owner identified herein is a mandatory precondition of review of this application. Documentary evidence in the form of either a deed, option, purchase contract or lease for a term longer than the period of time the property will be subject to occupancy restrictions must be included herewith. (For 9% Competitive Credits - An option or contract must extend beyond the application deadline by a minimum of four months.)

Warning: Site control by an entity other than the Owner, even if it is a closely related party, is not sufficient. Anticipated future transfers to the Owner are not sufficient. The Owner, as identified previously, must have site control at the time this Application is submitted.

NOTE: If the Owner receives a reservation of credits, the property must be titled in the name of or leased by (pursuant to a long-term lease) the Owner before the allocation of credits is made.

Contact Virginia Housing before submitting this application if there are any questions about this requirement.

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type: Purchase Contract

Expiration Date: 2/14/2027

In the Option or Purchase contract - Any contract for the acquisition of a site with an existing residential property may not require an empty building as a condition of such contract, unless relocation assistance is provided to displaced households, if any, at such level required by Virginia Housing. See QAP for further details.

ACTION: Provide documentation and most recent real estate tax assessment - **Mandatory TAB E**

FALSE

There is more than one site for development and more than one form of site control.

(If **True**, provide documentation for each site specifying number of existing buildings on the site (if any), type of control of each site, and applicable expiration date of stated site control. A site control document is required for each site (**Tab E**.)

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

a. FALSE Owner already controls site by either deed or long-term lease.

b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than 2/14/2027.

c. FALSE There is more than one site for development and more than one expected date of acquisition by Owner.

(If c is **True**, provide documentation for each site specifying number of existing buildings on the site, if any, and expected date of acquisition of each site by Owner (**Tab E**.)

D. SITE CONTROL

3. Seller Information:

Name: City Central

Address: 5607 Grove Avenue

City: Richmond St.: VA Zip: 23226

Contact Person: Will Allen Phone: (804) 282-6550

There is an identity of interest between the seller and the owner/applicant TRUE

Note: No developer's fee basis in cases where there purchaser and seller unless Housing prior to applicatio Fee Calculation in the LIHT

If above statement is **TRUE**, complete the following:

Principal(s) involved (e.g. general partners, controlling shareholders, etc.)

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
Russell Harper Sr.		Partner	50.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

► Indicate Veteran Owned Small Business designation (as defined in the manual) to each team member (if applicable). You can mark True for 3 members to receive the full 10 points.

ACTION: Provide copy of certification from Commonwealth of Virginia, if applicable - **TAB Z**

1. Tax Attorney:	Allison Domson	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen		
Address:	200 South 10th	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23219		
Email:	adomson@williamsmullen.com	Phone:	(804) 420-6915
2. Tax Accountant:	Gary Romer	This is a Related Entity.	FALSE
Firm Name:	BDO		
Address:	Williams Mullen Center Suite 200	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23219		
Email:	gromer@bdo.com	Phone:	804.401.4318
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
4. Management Entity:	Matt Cabaniss	This is a Related Entity.	FALSE
Firm Name:	Gates Hudson		
Address:	3020 Hamaker Court	Veteran Owned Small Bus?	FALSE
City, State, Zip	Fairfax, VA 22031		
Email:	mcabaniss@gateshudson.com	Phone:	(410) 627-6485
5. Contractor:	Will Paulette	This is a Related Entity.	FALSE
Firm Name:	KBS		
Address:	8050 Kimway Drive	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond VA 23228		
Email:	wpaulette@kbsgc.com	Phone:	(804) 262-0100
6. Architect:	Ryn Burns	This is a Related Entity.	FALSE
Firm Name:	Dwell Design		
Address:	3122 W Marshall Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23230		
Email:	Rburns@dwelldesignstudio.com	Phone:	(760) 212-6924

E. DEVELOPMENT TEAM INFORMATION

7.	Real Estate Attorney:	Allison Domson	This is a Related Entity.	FALSE
	Firm Name:	Williams Mullen		
	Address:	200 South 10th	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Richmond, VA 23219		
	Email:	adomson@williamsmullen.com	Phone:	(804) 420-6915
8.	Mortgage Banker:	Costa Canovos	This is a Related Entity.	FALSE
	Firm Name:	Berkadia		
	Address:	3206 W Broad Street	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Richmond, VA 23230		
	Email:	costa.canavos@berkadia.com	Phone:	(804) 780-9235
9.	Other 1:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
10.	Other 2:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
11.	Other 3:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
12.	Other 4:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	
13.	Other 5:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip		Role:	
	Email:		Phone:	

F. REHAB INFORMATION

1. Acquisition Credit Information

a. Credits are being requested for existing buildings being acquired for development. FALSE

Action: If true, provide an electronic copy of the Existing Condition Questionnaire, Unit by Unit Matrix and Appraisal.

b. This development has received a previous allocation of credits FALSE
 If so, when was the most recent year that this development received credits?
 If this is a preservation deal,
 what date did this development enter its Extended Use Agreement period?

c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority? FALSE

d. This development is an existing RD or HUD S8/236 development. FALSE
Action: (If True, provide required form in **TAB Q**)

Note: If there is an identity of interest between the applicant and the seller in this proposal, and the applicant is seeking points in this category, then the applicant must either waive their rights to the developer's fee or other fees associated with acquisition, or obtain a waiver of this requirement from Virginia Housing prior to application submission to receive these points.

i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition. FALSE

ii. Applicant has obtained a waiver of this requirement from Virginia Housing prior to the application submission deadline. FALSE

2. Ten-Year Rule For Acquisition Credits

a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/\$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement. FALSE

b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i), FALSE

i. Subsection (I) FALSE

ii. Subsection (II) FALSE

iii. Subsection (III) FALSE

iv. Subsection (IV) FALSE

v. Subsection (V) FALSE

c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6). FALSE

d. There are different circumstances for different buildings. FALSE
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

- a. Credits are being requested for rehabilitation expenditures. FALSE
- b. **Minimum Expenditure Requirements**
- i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii). FALSE
- ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only) FALSE
- iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception. FALSE
- iv. There are different circumstances for different buildings. FALSE
Action: (If True, provide an explanation for each building in Tab K)

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section 1 must be completed in order to compete in the Non Profit tax credit pool.

All Applicants - Section 2 must be completed to obtain points for nonprofit involvement.

1. Tax Credit Nonprofit Pool Applicants: To qualify for the nonprofit pool, an organization (described in IRC Section 501(c)(3) or 501(c)(4) and exempt from taxation under IRC Section 501(a)) should answer the following questions as TRUE:

- FALSE a. Be authorized to do business in Virginia.
- FALSE b. Be substantially based or active in the community of the development.
- FALSE c. Materially participate in the development and operation of the development throughout the compliance period (i.e., regular, continuous and substantial involvement) in the operation of the development throughout the Compliance Period.
- FALSE d. Own, either directly or through a partnership or limited liability company, 100% of the general partnership or managing member interest.
- FALSE e. Not be affiliated with or controlled by a for-profit organization.
- FALSE f. Not have been formed for the principal purpose of competition in the Non Profit Pool.
- FALSE g. Not have any staff member, officer or member of the board of directors materially participate, directly or indirectly, in the proposed development as a for profit entity.

2. All Applicants: To qualify for points under the ranking system, the nonprofit's involvement need not necessarily satisfy all of the requirements for participation in the nonprofit tax credit pool.

A. Nonprofit Involvement (All Applicants)

FALSE There is nonprofit involvement in this development. (If false, skip to #3.)

Action: If there is nonprofit involvement, provide completed Non Profit Questionnaire (**Mandatory TAB I**).

B. Type of involvement:

FALSE Nonprofit meets eligibility requirement for points only, not pool.

or

FALSE Nonprofit meets eligibility requirements for nonprofit pool and points.

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is:

Name:

Contact Person:

Street Address:

City: State: Zip:

Phone: Contact Email:

D. Percentage of Nonprofit Ownership (All nonprofit applicants):

Specify the nonprofit entity's percentage ownership of the general partnership interest:

G. NONPROFIT INVOLVEMENT

3. Nonprofit/Local Housing Authority Purchase Option/Right of First Refusal

- A. **FALSE** After the mandatory 15-year compliance period, a qualified nonprofit or local housing authority will have the option to purchase or the right of first refusal to acquire the development for a price not to exceed the outstanding debt and exit taxes. Such debt must be limited to the original mortgage(s) unless any refinancing is approved by the nonprofit. See manual for more specifics.

Action: Provide Option or Right of First Refusal in recordable form using Virginia Housing's template. **(TAB V)**
 Provide Nonprofit Questionnaire (if applicable) **(TAB I)**

Name of qualified nonprofit:

or indicate true if Local Housing Authority Name of Local Housing Authority

- B. **FALSE** A qualified nonprofit or local housing authority submits a homeownership plan committing to sell the units in the development after the mandatory 15-year compliance period to tenants whose incomes shall not exceed the applicable income limit at the time of their initial occupancy.

Do not select if extended compliance is selected on Request Info Tab

Action: Provide Homeownership Plan **(TAB N)** and contact Virginia Housing for a Pre-Application M

NOTE: Applicant is required to waive the right to pursue a Qualified Contract.

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of all units in development	<u>230</u>	bedrooms	<u>470</u>
Total number of rental units in development	<u>230</u>	bedrooms	<u>470</u>
Number of low-income rental units	<u>230</u>	bedrooms	<u>470</u>
Percentage of rental units designated low-income	<u>100.00%</u>		
b. Number of new units:	<u>230</u>	bedrooms	<u>470</u>
Number of adaptive reuse units:	<u>0</u>	bedrooms	<u>0</u>
Number of rehab units:	<u>0</u>	bedrooms	<u>0</u>
c. If any, indicate number of planned exempt units (included in total of all units in development)			<u>0</u>
d. Total Floor Area For The Entire Development		<u>288,531.00</u>	(Sq. ft.)
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage)		<u>3,144.00</u>	(Sq. ft.)
f. Nonresidential Commercial Floor Area (Not eligible for funding)		<u>0.00</u>	
g. Total Usable Residential Heated Area		<u>285,387.00</u>	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space		<u>100.00%</u>	
i. Exact area of site in acres	<u>4.537</u>		
j. Locality has approved a final site plan or plan of development.		<u>FALSE</u>	
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development.			
ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits		<u>FALSE</u>	

Definition:

The structure is historic, by virtue of being listed individually in the National Register of Historic Places, or due to its location in a registered historic district and certified by the Secretary of the Interior as being of historical significance to the district, and the rehabilitation will be completed in such a manner as to be eligible for historic rehabilitation tax credits.

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

a. Specify the **average size and number per unit type:**

LIHTC Units can not be greater than Total Rental Units

Note: Average sq foot should include the prorata of common space.

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	809.00	SF	71	71
2BR Garden	1154.00	SF	78	78
3BR Garden	1419.00	SF	81	81
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			230	230

Note: Please be sure to enter the values in the appropriate unit category. If not, errors will occur on the self scoresheet.

3. Structures

- a. Number of Buildings (containing rental units)
- b. Age of Structure: years
- c. Maximum Number of stories:

d. The development is a scattered site development.

e. Commercial Area Intended Use:

f. Development consists primarily of : **(Only One Option Below Can Be True)**

- i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)
- ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)
- iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood)

g. Indicate **True** for all development's structural features that apply:

- i. Row House/Townhouse v. Detached Single-family
- ii. Garden Apartments vi. Detached Two-family
- iii. Slab on Grade vii. Basement
- iv. Crawl space

h. Development contains an elevator(s).
 If true, # of Elevators.
 Elevator Type (if known)

H. STRUCTURE AND UNITS INFORMATION

- i. Roof Type ▶ Flat
- j. Construction Type ▶ Frame
- k. Primary Exterior Finish ▶ Combination

4. Site Amenities (indicate all proposed)

a. Business Center	TRUE	f. Limited Access	TRUE
b. Covered Parking	FALSE	g. Playground	FALSE
c. Exercise Room	TRUE	h. Pool	FALSE
d. Gated access to Site	FALSE	i. Rental Office	TRUE
e. Laundry facilities	FALSE	j. Sports Activity Ct.	FALSE
		k. Other:	Community Room

l. Describe Community Facilities: Mail Room, Package Room, Fitness Room, Community room with kitchen a

m. Number of Proposed Parking Spaces 351
 Parking is shared with another entity FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing or proffered public bus stop. TRUE

If **True**, Provide required documentation (TAB K2).

5. Plans and Specifications

a. Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):

- i. A location map with development clearly defined.
- ii. Sketch plan of the site showing overall dimensions of all building(s), major site elements (e.g., parking lots and location of existing utilities, and water, sewer, electric, gas in the streets adjacent to the site). Contour lines and elevations are not required.
- iii. Sketch plans of all building(s) reflecting overall dimensions of:
 - a. Typical floor plan(s) showing apartment types and placement
 - b. Ground floor plan(s) showing common areas
 - c. Sketch floor plan(s) of typical dwelling unit(s)
 - d. Typical wall section(s) showing footing, foundation, wall and floor structure
 Notes must indicate basic materials in structure, floor and exterior finish.

b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.

- i. Phase I environmental assessment.
- ii. Physical needs assessment for any rehab only development.

c. **All Tax Exempt 4% Applications must submit plans and specifications complete at least through Design Development (DD) phase for all design disciplines.** Reference the separate Minimum Design and Construction Requirements document for a full list of submission requirements for New Construction and Rehabilitation projects.

NOTE: All developments must meet Virginia Housing's **Minimum Design and Construction Requirements**. By signing and submitting the Application for Reservation of LIHTC, the applicant certifies that the proposed project budget, plans & specifications and work write-ups incorporate all necessary elements to fulfill these requirements.

J. ENHANCEMENTS

Each development must meet the following baseline energy performance standard applicable to the development's construction category.

- a. **New Construction:** must obtain EnergyStar certification.
- b. **Rehabilitation:** renovation must result in at least a 30% performance increase or score an 80 or lower on the HERS Index.
- c. **Adaptive Reuse:** must score a 95 or lower on the HERS Index.

Certification and HERS Index score must be verified by a third-party, independent, non-affiliated, certified RESNET home energy rater. The HERS report should be completed for the whole development and not an individual unit.

Indicate **True** for the following items that apply to the proposed development:

ACTION: Provide RESNET rater certification of Development Plans (**TAB F**)

ACTION: Provide Internet Safety Plan and Resident Information Form (**Tab W**) if corresponding options selected below.

REQUIRED:**1. For any development, upon completion of construction/rehabilitation:**

- | | |
|--------|--|
| TRUE | a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only. |
| 50.00% | b1. Percentage of brick covering the exterior walls. |
| 50.00% | b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations. |
| TRUE | c. All kitchen light fixtures are LED and meet MDCR lighting guidelines. |
| FALSE | d. Cooking surfaces are equipped with fire suppression features as defined in the manual |
| TRUE | e. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS. |
| or | |
| FALSE | f. Full bath fans are equipped with a humidistat. |
| TRUE | g. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products. |
| FALSE | h. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service where it does not already exist. |
| FALSE | i. Each unit is provided free individual high-speed internet access.
<i>(Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)</i> |
| FALSE | j. Every kitchen, living room and bedroom contains, at minimum, one USB charging port. |
| FALSE | k. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system. |
| or | |
| FALSE | l. All Construction types: each unit is equipped with a permanent dehumidification system. |
| TRUE | m. All interior doors within units are solid core. |
| FALSE | n. Installation of a renewable energy electric system in accordance with manufacturer's specifications and all applicable provisions of the National Electrical Code - Provide documentation at Tab F . |
| FALSE | o. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet. |

J. ENHANCEMENTS

For all developments exclusively serving elderly tenants upon completion of construction/rehabilitation:

- FALSE a. All cooking ranges have front controls.
- FALSE b. Bathrooms have an independent or supplemental heat source.
- FALSE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.
- FALSE d. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.

2. Green Certification

- a. Applicant agrees to meet the base line energy performance standard applicable to the development's construction category as listed above.

The applicant will also obtain one of the following:

- | | | | |
|--------------------------------|---|--------------------------------|--|
| <input type="checkbox"/> FALSE | Earthcraft Gold or higher certification | <input type="checkbox"/> TRUE | National Green Building Standard (NGBS) certification of Silver or higher. |
| <input type="checkbox"/> FALSE | LEED Certification | <input type="checkbox"/> FALSE | Enterprise Green Communities (EGC) Certification |

If Green Certification is selected, no points will be awarded for g. Watersense Bathroom fixtures above.

Action: If seeking any points associated Green certification, provide appropriate documentation at **TAB F**.

- b. Applicant will pursue one of the following certifications to be awarded points on a future development application. (Failure to reach this goal will not result in a penalty.)

- | | | | |
|--------------------------------|---|--------------------------------|-------------------------|
| <input type="checkbox"/> FALSE | Zero Energy Ready Home Requirements | <input type="checkbox"/> FALSE | Passive House Standards |
| <input type="checkbox"/> FALSE | Applicant wishes to claim points from a prior allocation that has received certification for Zero Energy Ready or Passive House Standards. Provide certification at Tab P . See Manual for details and requirements. | | |

3. Universal Design - Units Meeting Universal Design Standards (units must be shown on Plans)

- FALSE a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.
- b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:
0% of Total Rental Units

No Market Units listed on Structure 1a.

- 4. FALSE Market-rate units' amenities are substantially equivalent to those of the low income units.

If not, please explain:



Architect of Record initial here that the above information is accurate per certification statement within this application.

I. UTILITIES

1. Utilities Types:

- a. Heating Type Electric Forced Air
- b. Cooking Type Electric
- c. AC Type Central Air
- d. Hot Water Type Electric

2. Indicate True if the following services will be included in Rent:

- | | | | |
|---------------------|--------------|----------------|--------------|
| Water? | <u>TRUE</u> | Heat? | <u>FALSE</u> |
| Hot Water? | <u>FALSE</u> | AC? | <u>FALSE</u> |
| Lighting/ Electric? | <u>FALSE</u> | Sewer? | <u>TRUE</u> |
| Cooking? | <u>FALSE</u> | Trash Removal? | <u>TRUE</u> |

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	13	17	20	23
Air Conditioning	0	6	8	10	13
Cooking	0	24	24	24	42
Lighting	0	11	17	20	8
Hot Water	0	15	20	21	21
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$69	\$86	\$95	\$107

3. The following sources were used for Utility Allowance Calculation (Provide documentation **TAB R**).

- a. FALSE HUD
- b. FALSE Utility Company (Estimate)
- c. FALSE Utility Company (Actual Survey)
- d. FALSE Local PHA
- e. TRUE Other: Southern Energy Management

Warning: The Virginia Housing housing choice voucher program utility schedule shown on VirginiaHousing.com should not be used unless directed to do so by the local housing authority.

K. SPECIAL HOUSING NEEDS

NOTE: Any Applicant commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.


1. **Accessibility:** Indicate **True** for the following point category, as appropriate.

Action: Provide appropriate documentation (**Tab X**)

FALSE

Any development in which ten percent (10%) of the total units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.

All common space must also conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act.



Architect of Record initial here that the above information is accurate per certification statement within this application.

2. **Special Housing Needs/Leasing Preference:**

a. If not general population, select applicable special population:

FALSE

Elderly (as defined by the United States Fair Housing Act.)

FALSE

Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only

FALSE

Supportive Housing (as described in the Tax Credit Manual)

If Supportive Housing is True: Will the supportive housing consist of units designated for tenants that are homeless or at risk of homelessness?

FALSE

Action: Provide Permanent Supportive Housing Certification (**Tab S**)

b. The development has existing tenants and a relocation plan has been developed.

FALSE

(If **True**, Virginia Housing policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties as described in the manual.)

Action: Provide Relocation Plan, Budget and Unit Delivery Schedule (**Mandatory if tenants are displaced - Tab J**)

K. SPECIAL HOUSING NEEDS

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: Yes

Organization which holds waiting list: Richmond Redevelopment & Housing Authority

Contact person: Steven Nesmith

Title: CEO

Phone Number: (804) 780-4023

Action: Provide required notification documentation **(TAB L)**

b. Leasing preference will be given to individuals and families with children. FALSE
(Less than or equal to 20% of the units must have of 1 or less bedrooms).

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 81
% of total Low Income Units 35%

NOTE: Development must utilize a **Virginia Housing Certified Management Agent**. Proof of management certification must be provided before 8609s are issued.

[Download Current CMA List from VirginiaHousing.com](http://www.virginiahousing.com)

Action: Provide documentation of tenant disclosure regarding Virginia Housing Rental Education **(Mandatory - Tab U)**

4. Target Population Leasing Preference

Unless prohibited by an applicable federal subsidy program, each applicant shall commit to provide a leasing preference to individuals (i) in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth, (ii) having a voucher or other binding commitment for rental assistance from the Commonwealth, and (iii) referred to the development by a referring agent approved by the Authority. The leasing preference shall not be applied to more than ten percent (10%) of the total units in the development at any given time. The applicant may not impose tenant selection criteria or leasing terms with respect to individuals receiving this preference that are more restrictive than the applicant’s tenant selection criteria or leasing terms applicable to prospective tenants in the development that do not receive this preference, the eligibility criteria for the rental assistance from the Commonwealth, or any eligibility criteria contained in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.

Primary Contact for Target Population leasing preference. The agency will contact as needed.

First Name: Elyse

Last Name: Denton

Phone Number: (703) 876-9590 Email: adenton@gateshudson.com

K. SPECIAL HOUSING NEEDS

5. Rental Assistance

a. Some of the low-income units do or will receive rental assistance..... **FALSE**

b. Indicate True if rental assistance will be available from the following

FALSE Rental Assistance Demonstration (RAD) or other PHA conversion to project based rental assistance.

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 811 Certificates

FALSE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers
*Administering Organization: _____

FALSE State Assistance
*Administering Organization: _____

FALSE Other: _____

c. The Project Based vouchers above are applicable to the 30% units seeking points.

FALSE

i. If True above, how many of the 30% units will not have project based vouchers? **0**

d. Number of units receiving assistance: **0**

How many years in rental assistance contract? _____

Expiration date of contract: _____

There is an Option to Renew. **FALSE**

Action: Contract or other agreement provided **(TAB Q)**.

6. Public Housing Revitalization

Is this development replacing or revitalizing Public Housing Units? **FALSE**

If so, how many existing Public Housing units? **0**

L. UNIT DETAILS

1. Set-Aside Election:

UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY

Note: In order to qualify for any tax credits, a development must meet one of three minimum threshold occupancy tests. Either (i) at least 20% of the units must be rent-restricted and occupied by persons whose incomes are 50% or less of the area median income adjusted for family size (this is called the 20/50 test), (ii) at least 40% of the units must be rent-restricted and occupied by persons whose incomes are 60% or less of the area median income adjusted for family size (this is called the 40/60 test), or (iii) 40% or more of the units are both rent-restricted and occupied by persons whose income does not exceed the imputed income limitation designated in 10% increments between 20% to 80% of the AMI, and the average of the imputed income limitations collectively does not exceed 60% of the AMI (this is called the Average Income Test (AIT)). All occupancy tests are described in Section 42 of the IRC. Rent- and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
230	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
230	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
230	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
230	100.00%	Total

b. Indicate that you are electing to receive points for the following deeper targets shown in the chart above and those targets will be reflected in the set-aside requirements within the Extended Use Agreement.


20-30% Levels FALSE 40% Levels FALSE 50% levels FALSE

c. The development plans to utilize average income testing..... FALSE

2. Unit Mix Grid

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID

In the following grid, add a row for each unique unit type planned within the development. Enter the appropriate data for both tax credit and market rate units.

 Architect of Record initial here that the information below is accurate per certification statement within this application.

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	60% AMI	20	0	648.00	\$1,208.00	\$24,160
Mix 2	1 BR - 1 Bath	60% AMI	33	0	631.00	\$1,208.00	\$39,864
Mix 3	1 BR - 1 Bath	60% AMI	2	0	631.00	\$1,208.00	\$2,416
Mix 4	1 BR - 1 Bath	60% AMI	2	0	665.00	\$1,208.00	\$2,416
Mix 5	1 BR - 1 Bath	60% AMI	4	0	646.00	\$1,208.00	\$4,832
Mix 6	1 BR - 1 Bath	60% AMI	9	0	681.00	\$1,208.00	\$10,872
Mix 7	1 BR - 1 Bath	60% AMI	1	0	681.00	\$1,208.00	\$1,208
Mix 8	2 BR - 2 Bath	60% AMI	8	0	995.00	\$1,447.00	\$11,576
Mix 9	2 BR - 2 Bath	60% AMI	38	0	978.00	\$1,447.00	\$54,986
Mix 10	2 BR - 2 Bath	60% AMI	7	0	928.00	\$1,447.00	\$10,129

L. UNIT DETAILS

Mix 11	2 BR - 2 Bath	60% AMI	10	0	911.00	\$1,447.00	\$14,470
Mix 12	2 BR - 2 Bath	60% AMI	8	0	1070.00	\$1,447.00	\$11,576
Mix 13	2 BR - 2 Bath	60% AMI	2	0	1070.00	\$1,447.00	\$2,894
Mix 14	2 BR - 2 Bath	60% AMI	5	0	959.00	\$1,447.00	\$7,235
Mix 15	3 BR - 2 Bath	60% AMI	10	0	1155.00	\$1,675.00	\$16,750
Mix 16	3 BR - 2 Bath	60% AMI	16	0	1154.00	\$1,675.00	\$26,800
Mix 17	3 BR - 2 Bath	60% AMI	8	0	1155.00	\$1,675.00	\$13,400
Mix 18	3 BR - 2 Bath	60% AMI	2	0	1192.00	\$1,675.00	\$3,350
Mix 19	3 BR - 2 Bath	60% AMI	2		1192.00	\$1,675.00	\$3,350
Mix 20	3 BR - 2 Bath	60% AMI	6	0	1333.00	\$1,675.00	\$10,050
Mix 21	3 BR - 2 Bath	60% AMI	36	0	1302.00	\$1,675.00	\$60,300
Mix 22	3 BR - 2 Bath	60% AMI	1	0	1333.00	\$1,675.00	\$1,675
Mix 23							\$0
Mix 24							\$0
Mix 25							\$0
Mix 26							\$0
Mix 27							\$0
Mix 28							\$0
Mix 29							\$0
Mix 30							\$0
Mix 31							\$0
Mix 32							\$0
Mix 33							\$0
Mix 34							\$0
Mix 35							\$0
Mix 36							\$0
Mix 37							\$0
Mix 38							\$0
Mix 39							\$0
Mix 40							\$0
Mix 41							\$0
Mix 42							\$0
Mix 43							\$0
Mix 44							\$0
Mix 45							\$0
Mix 46							\$0
Mix 47							\$0
Mix 48							\$0
Mix 49							\$0
Mix 50							\$0
Mix 51							\$0
Mix 52							\$0
Mix 53							\$0
Mix 54							\$0
Mix 55							\$0
Mix 56							\$0
Mix 57							\$0
Mix 58							\$0
Mix 59							\$0
Mix 60							\$0
Mix 61							\$0
Mix 62							\$0
Mix 63							\$0
Mix 64							\$0
Mix 65							\$0
Mix 66							\$0
Mix 67							\$0

L. UNIT DETAILS

Mix 68								\$0
Mix 69								\$0
Mix 70								\$0
Mix 71								\$0
Mix 72								\$0
Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			230	0				\$334,309

Total Units	230	Net Rentable SF:	TC Units	222,219.00
			MKT Units	0.00
			Total NR SF:	222,219.00

Floor Space Fraction (to 7 decimals)	100.00000%
---	------------

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$20,000
2. Office Salaries			\$325,000
3. Office Supplies			\$0
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$112,661
<u>2.59%</u> of EGI	<u>\$489.83</u>	Per Unit	
6. Manager Salaries			\$0
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$20,000
9. Auditing			\$12,000
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$6,500
12. Tax Credit Monitoring Fee			\$15,000
13. Miscellaneous Administrative			\$0
Total Administrative			\$511,161

Utilities

14. Fuel Oil			\$0
15. Electricity			\$125,202
16. Water			\$17,671
17. Gas			\$0
18. Sewer			\$53,015
Total Utility			\$195,888

Operating:

19. Janitor/Cleaning Payroll			\$20,000
20. Janitor/Cleaning Supplies			\$5,000
21. Janitor/Cleaning Contract			\$5,000
22. Exterminating			\$0
23. Trash Removal			\$30,000
24. Security Payroll/Contract			\$20,000
25. Grounds Payroll			\$5,000
26. Grounds Supplies			\$5,000
27. Grounds Contract			\$5,000
28. Maintenance/Repairs Payroll			\$15,000
29. Repairs/Material			\$0
30. Repairs Contract			\$25,000
31. Elevator Maintenance/Contract			\$15,000
32. Heating/Cooling Repairs & Maintenance			\$0
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$20,000
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$0
Totals Operating & Maintenance			\$170,000

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes		\$575,000
39. Payroll Taxes		\$0
40. Miscellaneous Taxes/Licenses/Permits		\$0
41. Property & Liability Insurance	\$304 per unit	\$70,000
42. Fidelity Bond		\$0
43. Workman's Compensation		\$0
44. Health Insurance & Employee Benefits		\$0
45. Other Insurance		\$0
Total Taxes & Insurance		\$645,000

Total Operating Expense

\$1,522,049

Total Operating Expenses Per Unit

\$6,618

C. Total Operating

Expenses as % of EGI

35.03%

Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum)

\$57,750

Total Expenses

\$1,579,799

N. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

Complete cost column and basis column(s) as appropriate

Note: Attorney must opine, among other things, as to correctness of the inclusion of each cost item in eligible basis, type of credit and numerical calculations included in Project Budget.

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
Must Use Whole Numbers Only!				
1. Contractor Cost				
a. Unit Structures (New)	39,110,538	0	39,110,538	0
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	39,110,538	0	39,110,538	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input type="checkbox"/> h. Renewable Energy	0	0	0	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	0	0	0	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	0	0	0	0
q. Hard Cost Contingency	2,115,881	0	2,115,881	0
Total Land Improvements	2,115,881	0	2,115,881	0
Total Structure and Land	41,226,419	0	41,226,419	0
r. General Requirements	2,473,585	0	2,473,585	0
s. Builder's Overhead (2.0% Contract)	824,258	0	0	0
t. Builder's Profit (5.9% Contract)	2,432,359	0	2,432,359	0
u. Bonds	93,470	0	93,470	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: <u>Liability</u>	88,452	0	88,452	0
z. Other 2: <u>Business License Tax</u>	239,773	0	239,773	0
aa. Other 3: <u>Professional Liability</u>	30,000	0	0	0
Contractor Costs	\$47,408,316	\$0	\$46,554,058	\$0

Construction cost per unit: \$206,123.11

MAXIMUM COMBINED GR, OVERHEAD & PROFIT = \$5,771,699

ACTUAL COMBINED GR, OVERHEAD & PROFIT = \$5,730,202

O. PROJECT BUDGET - OWNER COSTS

To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.

MUST USE WHOLE NUMBERS ONLY! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	120,000	0	0	0
b. Architecture/Engineering Design Fee \$4,261 /Unit)	980,000	0	0	0
c. Architecture Supervision Fee \$891 /Unit)	205,000	0	0	0
d. Tap Fees	161,700	0	0	0
e. Environmental	6,500	0	6,500	0
f. Soil Borings	15,000	0	15,000	0
g. Green Building (Earthcraft, LEED, etc.)	20,000	0	20,000	0
h. Appraisal	5,000	0	5,000	0
i. Market Study	5,000	0	5,000	0
j. Site Engineering / Survey	278,800	0	278,800	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	0	0	0	0
n. Construction Interest (0.0% for 0 months)	2,600,000	0	1,560,000	0
o. Taxes During Construction	79,695	0	0	0
p. Insurance During Construction	150,000	0	150,000	0
q. Permanent Loan Fee (0.0%)	0			
r. Other Permanent Loan Fees	0			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	50,000	0	50,000	0
u. Accounting	10,000	0	10,000	0
v. Title and Recording	240,000	0	240,000	0
w. Legal Fees for Closing	250,000	0	250,000	0
x. Mortgage Banker	168,140	0	0	0
y. Tax Credit Fee	187,529			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	100,000	0	100,000	0
ab. Organization Costs	0			
ac. Operating Reserve	1,506,886			
ad. Soft Costs Contingency	314,001			
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify: Bond Issuance Fee	218,585	0	0	0
(2) Other* specify: HUD Related Soft Costs	736,596	0	0	0
(3) Other* specify:	0	0	0	0
(4) Other* specify:	0	0	0	0
(5) Other* specify:	0	0	0	0
(6) Other* specify:	0	0	0	0
(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$8,408,432	\$0	\$2,690,300	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)	\$55,816,748	\$0	\$49,244,358	\$0
3. Developer's Fees	5,000,000	0	2,000,000	0
4. Owner's Acquisition Costs				
Land	4,600,000			
Existing Improvements	0	0		
Subtotal 4:	\$4,600,000	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$65,416,748	\$0	\$51,244,358	\$0

If this application seeks rehab credits only, in which there is no acquisition and **no change in ownership**, enter the greater of appraised value or tax assessment value here:

(Provide documentation at **Tab E**)

\$4,580,000	Land
\$0	Building

Maximum Developer Fee:

\$5,000,000

Proposed Development's Cost per Sq Foot	\$211	Meets Limits
Applicable Cost Limit by Square Foot:	\$556	
Proposed Development's Cost per Unit	\$264,421	Meets Limits
Applicable Cost Limit per Unit:	\$589,015	

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	65,416,748	0	51,244,358	0
2. Reductions in Eligible Basis				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	0
3. Total Eligible Basis (1 - 2 above)		0	51,244,358	0
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			15,373,307	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
Total Adjusted Eligible basis			66,617,665	0
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		0	66,617,665	0
7. Applicable Percentage		4.00%	4.00%	9.00%
8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage) (Must be same as BIN total and equal to or less than credit amount allowed)		\$0	\$2,664,707	\$0
			\$2,664,707 Combined 30% & 70% P. V. Credit	

Q. SOURCES OF FUNDS

Action: Provide Documentation for all Funding Sources at **Tab T**

1. Construction Financing: List individually the sources of construction financing, including any such loans financed through grant sources:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.	HUD 221(d)(4)	01/15/26		\$41,179,600	Amy Gay
2.					
3.					
Total Construction Funding:				\$41,179,600	

2. Permanent Financing: List individually the sources of all permanent financing in order of lien position:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1.	HUD 221(d)(4)	1/15/2026		\$31,262,357	\$1,997,858	5.75%	40	40
2.	HUD 221(d)(4)	1/15/2026		\$9,361,000	\$522,257	4.74%	40	40
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
Total Permanent Funding:				\$40,623,357	\$2,520,115			

Q. SOURCES OF FUNDS

3. Grants: List all grants provided for the development:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.	AHTF	1/15/2026		\$2,500,000	Michelle Peters
2.					
3.					
4.					
5.					
6.					
Total Permanent Grants:				\$2,500,000	

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.			
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$0

5. Recap of Federal, State, and Local Funds

Portions of the sources of funds described above for the development are financed directly or indirectly with Federal, State, or Local Government Funds. **TRUE**

If above is **True**, then list the amount of money involved by all appropriate types.

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$16,747,307
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$0
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$0
k.	Other:	\$2,500,000
	AHTF	
l.	Other:	\$0

Market-Rate Loans

a.	Taxable Bonds	\$0
b.	Section 220	\$0
c.	Section 221(d)(3)	\$0
d.	Section 221(d)(4)	\$0
e.	Section 236	\$0
f.	Section 223(f)	\$0
g.	Other:	\$0

Q. SOURCES OF FUNDS

Grants*

a.	CDBG	\$0
b.	UDAG	\$0

Grants

c.	State	
d.	Local	
e.	Other:	

*This means grants to the partnership. If you received a loan financed by a locality which received one of the listed grants, please list it in the appropriate loan column as "other" and describe the applicable grant program which funded it.

6. For Transactions Using Tax-Exempt Bonds Seeking 4% Credits:

For purposes of the Bond Cliff Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: **30.00%**

7. Some of the development's financing has credit enhancements. **FALSE**

If **True**, list which financing and describe the credit enhancement:

--

8. Other Subsidies

Action: Provide documentation (**Tab Q**)

- a. **TRUE** Real Estate Tax Abatement on the increase in the value of the development.
- b. **FALSE** **New** project based subsidy from HUD or Rural Development or any other binding federal project based subsidy
 0 Number of New PBV Vouchers
- c. **FALSE** Other

9. A HUD approval for transfer of physical asset is required. **FALSE**

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit			
Amount of Federal historic credits	\$0	x Equity \$	\$0.000 = \$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000 = \$0
b. Housing Opportunity Tax Credit Request (paired with 4% credit requests only)			
i. Requested Annual HOTC Credits	\$0		
ii. 10 Year HOTC Credit Amount	\$0		
iii. Equity Dollars Per Credit	\$0.000		
iv. Percent of ownership entity (repeated from 3b)	99.99000%		
v. HOTC Credit Net	\$0		
c. Equity that Sponsor will Fund:			
i. Cash Investment	\$0		
ii. Contributed Land/Building	\$0		
iii. Deferred Developer Fee	\$975,732	(Note: Deferred Developer Fee cannot be negative.)	
v. Other:	\$0		
ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at TAB A.			
Equity Total	<u>\$975,732</u>		

2. Equity Gap Calculation

a. Total Development Cost	\$65,416,748
b. Total of Permanent Funding, Grants and Equity	- \$44,099,089
c. Equity Gap	\$21,317,658
d. Developer Equity	- \$2,130
e. Equity gap to be funded with low-income tax credit proceeds	\$21,315,528

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	▶ R4 Capital		
Contact Person:	Austin Divino	Phone:	
Street Address:	2530 Warsh Tarlton Lane		
City:	Austin	State:	Texas
		Zip:	78746
b. Syndication Equity			
i. Anticipated Annual Credits	\$2,664,707.00		
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.800		
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%		
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0		
v. Net credit amount anticipated by user of credits	\$2,664,441		
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$21,315,528		

Action: Provide Syndicator's or Investor's signed Letter of Intent (Mandatory at Tab C)

4. Net Syndication Amount	<u>\$21,315,528</u>
Which will be used to pay for Total Development Costs	
5. Net Equity Factor	<u>80.0000141328%</u>

S. DETERMINATION OF RESERVATION AMOUNT NEEDED

The following calculation of the amount of credits needed is substantially the same as the calculation which will be made by Virginia Housing to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, Virginia Housing at all times retains the right to substitute such information and assumptions as are determined by Virginia Housing to be reasonable for the information and assumptions provided herein as to costs (including development fees, profits, etc.), sources for funding, expected equity, etc. Accordingly, if the development is selected by Virginia Housing for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$65,416,748</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$44,099,089</u>
3. Equals Equity Gap		<u>\$21,317,658</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>80.0000141328%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$26,647,068</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$2,664,707</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$2,664,707</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$2,664,707</u>
	For 70% PV Credit:	<u>\$0</u>
Credit per LI Units	<u>\$11,585.6826</u>	
Credit per LI Bedroom	<u>\$5,669.5894</u>	
	Combined 30% & 70% PV Credit Requested	<u>\$2,664,707</u>

9. **Action:** Provide Attorney’s Opinion using Virginia Housing template **(Mandatory Tab H)**

T. CASH FLOW

1. Revenue

Indicate the estimated monthly income for the **Low-Income Units** (based on Unit Details tab):

Total Monthly Rental Income for LIHTC Units		\$334,309
Plus Other Income Source (list):	Move-in, Pet Fees, Late, Lega, Etc.	\$8,200
Equals Total Monthly Income:		\$342,509
Twelve Months		x12
Equals Annual Gross Potential Income		\$4,110,108
Less Vacancy Allowance	7.0%	\$287,708
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$3,822,400

2. Indicate the estimated monthly income for the Market Rate Units (based on Unit Details tab):

Total Monthly Income for Market Rate Units:		\$0
Plus Other Income Source (list):	RE Tax Rebate	\$43,508
Equals Total Monthly Income:		\$43,508
Twelve Months		x12
Equals Annual Gross Potential Income		\$522,100
Less Vacancy Allowance	0.0%	\$0
Equals Annual Effective Gross Income (EGI) - Market Rate Units		\$522,100

Warning: Documentation must be submitted to support vacancy rate of less than 7%.

Action: Provide documentation in support of Operating Budget (TAB R)

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$3,822,400
b. Annual EGI Market Units	\$522,100
c. Total Effective Gross Income	\$4,344,500
d. Total Expenses	\$1,579,799
e. Net Operating Income	\$2,764,701
f. Total Annual Debt Service	\$2,520,115
g. Cash Flow Available for Distribution	\$244,586

T. CASH FLOW

4. Projections for Financial Feasibility - 15 Year Projections of Cash Flow

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	4,344,500	4,431,390	4,520,018	4,610,419	4,702,627
Less Oper. Expenses	1,579,799	1,627,193	1,676,009	1,726,289	1,778,078
Net Income	2,764,701	2,804,197	2,844,009	2,884,130	2,924,549
Less Debt Service	2,520,115	2,520,115	2,520,115	2,520,115	2,520,115
Cash Flow	244,586	284,082	323,894	364,015	404,434
Debt Coverage Ratio	1.10	1.11	1.13	1.14	1.16

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	4,796,679	4,892,613	4,990,465	5,090,275	5,192,080
Less Oper. Expenses	1,831,420	1,886,363	1,942,954	2,001,242	2,061,279
Net Income	2,965,259	3,006,250	3,047,512	3,089,033	3,130,801
Less Debt Service	2,520,115	2,520,115	2,520,115	2,520,115	2,520,115
Cash Flow	445,144	486,135	527,397	568,918	610,686
Debt Coverage Ratio	1.18	1.19	1.21	1.23	1.24

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	5,295,922	5,401,840	5,509,877	5,620,075	5,732,476
Less Oper. Expenses	2,123,118	2,186,811	2,252,416	2,319,988	2,389,588
Net Income	3,172,804	3,215,029	3,257,461	3,300,086	3,342,888
Less Debt Service	2,520,115	2,520,115	2,520,115	2,520,115	2,520,115
Cash Flow	652,689	694,914	737,346	779,971	822,773
Debt Coverage Ratio	1.26	1.28	1.29	1.31	1.33

Estimated Annual Percentage Increase in Revenue 2.00% (Must be \leq 2%)
 Estimated Annual Percentage Increase in Expenses 3.00% (Must be \geq 3%)

U. Building-by-Building Information

Must Complete

Qualified basis must be determined on a building-by building basis. Complete the section below. Building street addresses are required by the IRS (must have them by the time of allocation request).

Number of BINS: 1

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN BUILDING GRID

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS	Street Address 1	Street Address 2	City	State	Zip	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		230	0	17th Street	Ingram Ave	Richmond	VA	23234				\$0	\$66,617,665	11/28/28	4.00%	\$2,664,707				\$0
2.												\$0				\$0				\$0
3.												\$0				\$0				\$0
4.												\$0				\$0				\$0
5.												\$0				\$0				\$0
6.												\$0				\$0				\$0
7.												\$0				\$0				\$0
8.												\$0				\$0				\$0
9.												\$0				\$0				\$0
10.												\$0				\$0				\$0
11.												\$0				\$0				\$0
12.												\$0				\$0				\$0
13.												\$0				\$0				\$0
14.												\$0				\$0				\$0
15.												\$0				\$0				\$0
16.												\$0				\$0				\$0
17.												\$0				\$0				\$0
18.												\$0				\$0				\$0
19.												\$0				\$0				\$0
20.												\$0				\$0				\$0
21.												\$0				\$0				\$0
22.												\$0				\$0				\$0
23.												\$0				\$0				\$0
24.												\$0				\$0				\$0
25.												\$0				\$0				\$0
26.												\$0				\$0				\$0
27.												\$0				\$0				\$0
28.												\$0				\$0				\$0
29.												\$0				\$0				\$0
30.												\$0				\$0				\$0
31.												\$0				\$0				\$0
32.												\$0				\$0				\$0
33.												\$0				\$0				\$0
34.												\$0				\$0				\$0
35.												\$0				\$0				\$0

230 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$0

\$0

\$66,617,665

\$2,664,707

\$0

\$0

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.
3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.
4. that this application form, provided by Virginia Housing to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of Virginia Housing in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.
5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by Virginia Housing prior to allocation, should one be issued.
6. that the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. that, for the purposes of reviewing this application, Virginia Housing is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.
8. that Virginia Housing may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.
9. that reservations of credits are not transferable without prior written approval by Virginia Housing at its sole discretion.

V. STATEMENT OF OWNER

- 10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or Virginia Housing regulations, or other binding authority.
- 11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
- 12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
- 13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
- 14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
- 15. that undersigned agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.
- 16. that undersigned waives the right to pursue a Qualified Contract on this development.
- 17. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, even if tax credits are not allocated to the undersigned.

In Witness Whereof, the undersigned, being authorized, has caused this document to be executed in its name on the date of this application set forth in DEV Info tab hereof.

Legal Name of Owner: Commerce Heights, LLC


By: *JSH*
Its: *Managing Member* (Title)

V. STATEMENT OF ARCHITECT

The architect signing this document is certifying that the development plans and specifications incorporate all Virginia Housing Minimum Design and Construction Requirements (MDCR), selected LIHTC enhancements and amenities, applicable building codes and accessibility requirements.

In Witness Whereof, the undersigned, being authorized, has caused this document to be executed in its name on the date of this application set forth in DEV Info tab hereof.

Legal Name of Architect:	Jason R. Shepard
Virginia License#:	0401020905
Architecture Firm or Company:	Dwell Design Studio, LLC

By: 

Its: Chief Executive Officer (Title)

Initials by Architect are also required on the following Tabs: Enhancement, Special Housing Needs and Unit Details.

V. Previous Participation Certification

Development Name: Commerce Heights

Name of Applicant (entity): Commerce Heights, LLC

The undersigned, being duly authorized to sign on behalf of the Applicant, provide this Certification with the understanding that Virginia Housing intends to rely upon the statements made herein for the purpose of awarding and allocating federal low-income housing tax credits.

The following terms shall be defined as follows *for the purpose of this Certification only* :

- “Principal” has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification, it excludes individuals and entities whose ownership interest is solely vested in limited partnership interests of the ownership entity.
- “Participant” means all Principals of the Owner who are required to be individually listed within **the organizational chart attached hereto**.

1. All the statements made within this Certification are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained within the organizational charts and any statements attached to this Certification, and I will immediately alert Virginia Housing should I become aware of any information prior to the application deadline which may render my statements herein false or misleading.

2. During any time within the past ten (10) years that any of the Participants were Principals in any multifamily rental property, no mortgagee of any such property declared a default under its mortgage loan or assigned it to the mortgage insurer (governmental or private); no such property was foreclosed upon or dispossessed pursuant to a deed-in-lieu of foreclosure; and no such property received mortgage relief from the mortgagee. For purposes of this statement, "declared a default" refers only to final notices of default issued after the exhaustion of all applicable notice and cure rights.

3. During any time within the last ten (10) years that any of the Participants were a Principal in an owner of multifamily rental property, no such owner was determined to have breached any agreement related to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership or limited liability company. For the purposes of this statement, "determined to have breached" refers only to determinations made by an independent third-party arbiter or court of law following the expiration of all applicable notice and cure periods and excludes default judgments that have been fully satisfied.

4. No Participant listed in this Certification has been required to turn control of a property over to an investor or been otherwise involuntarily removed as a general partner from the ownership of a multifamily rental property within the past ten (10) years.

5. There are no unresolved material findings of noncompliance resulting from any audits, management reviews, or other governmental investigations performed by (or on behalf of) any state or federal entity, concerning any multifamily rental property in which any of the Participants were Principals at the time of such finding. For the purposes of this statement, a finding is considered resolved if either (a) the state or federal entity issuing the finding has determined that no further action is required to remedy the finding; or (b) the Participant (or entity in which it is a Principal) has entered into a binding agreement with the applicable state or federal entity to address such finding(s) and the Applicant has included with this Certification a copy of such agreement accompanied by a written statement from the state or federal entity verifying that such agreement is not in default and is reasonably expected to be satisfied within (90) days. Any such statement must be addressed to Virginia Housing and dated no more than thirty (30) days prior to submission of the Application.

6. During the past ten (10) years, no Participants were Principals in any multifamily rental property for which payments under any state or federal assistance contract were suspended or terminated. For the purposes of this statement, suspensions and terminations do not include those caused solely by actions or inactions of the state or federal agency, like funding shortages, technical issues, or administrative delays, where the Principals were not at fault.

7. None of the Participants have been convicted of a felony and none are presently the subject of a complaint of indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less.

8. No Participant has been suspended, debarred, or otherwise restricted by any federal or state entity from participating in housing programs administered by such entity due to programmatic noncompliance on the part of either the Participant or an entity in which the Participant was a Principal.

9. During the past ten (10) years, (a) no Participant has been the subject of a claim under an employee fidelity bond; and (b) while any Participant was a Principal in an owner of multifamily rental property, no Participant or such related owner defaulted on any obligation secured by a letter of credit or surety or performance bond. For the purposes of this statement, "defaulted" refers only to events where funds were paid by the issuer of a letter of credit or surety or performance bond.

10. No Participant is a Virginia Housing employee or a member of the immediate household of any Virginia Housing employee.

11. No Participant currently holds an ownership interest in a multifamily rental property where construction has stopped for more than 20 consecutive days, unless the stoppage:

- (a) resulted from events beyond the reasonable control of the property owner that also caused similar delays in comparable projects in the surrounding area (e.g. natural disasters, labor strikes, pandemics, or government-imposed work stoppages); or
- (b) solely involves work neither contractually required as a condition of tax credit allocation nor required prior to placing in service all residential buildings within such project.

Additionally, no Participant currently holds an ownership interest in a multifamily rental property assisted by a federal or state governmental entity and that has been substantially complete for more than 90 days without the required closing documents (such as the final cost certification) being filed, unless the delay is solely attributable to the governmental entity and not to the property owner or its agents.

12. No court of competent jurisdiction or other federal or state governmental entity has found any Participant to be in violation of any applicable civil rights, fair housing, or equal employment opportunity laws or regulations.

13. During the past ten (10) years, no Participant was a Principal in any multifamily rental property found by a court of competent jurisdiction or other federal or state governmental entity to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended (this statement does not refer to 8823s deemed corrected by the issuing agency).

14. No Participants are currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).

15. No Participant has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion and failure to certify, I have attached the following, which if not provided will automatically disqualify this Application from consideration:

- A. Supporting documentation sufficient to both outline the relevant facts and circumstances that necessitated each deletion and to explain why such deletion(s) should not result in disqualification; and
- B. A draft of Virginia Housing's form Right of First Refusal, which the Applicant commits to properly execute and record as a condition of any reservation or allocation of low-income housing tax credits made with regard to the Development named above.

Any material misrepresentations or omissions made on this form are grounds for rejection of this Application, forfeiture of any credits awarded with connection with this Application, and prohibition against the submission of future applications.

RSK
Signature

Russell Harper
Printed Name

1.15.2024
Date (no more than 30 days prior to submission of the Application)

W.

LIHTC SELF SCORE SHEET

Self Scoring Process

This Self Scoring Process is intended to provide you with an estimate of your application's score based on the information included within the reservation application. Other items, denoted below in the yellow shaded cells, are typically evaluated by Virginia Housing's staff during the application review and feasibility process. For purposes of self scoring, we have made certain assumptions about your application. Edit the appropriate responses (Y or N) in the yellow shaded cells, if applicable. Items 5f and 5g require a numeric value to be entered.

Please remember that this score is only an estimate. Virginia Housing reserves the right to change application data and/or score sheet responses where appropriate, which may change the final score.

MANDATORY ITEMS:

- a. Signed, completed application with attached tabs in PDF format
- b. Active Excel copy of application
- c. Partnership agreement
- d. SCC Certification
- e. Previous participation form
- f. Site control document
- g. RESNET Certification
- h. Attorney's opinion
- i. Nonprofit questionnaire (if applicable)
- j. Appraisal
- k. Zoning document
- l. Universal Design Plans
- m. List of LIHTC Developments (Schedule A)

	Included		Score
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y, N, N/A	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
	Y	Y or N	0
Total:			0.00

1. READINESS:

- a. Virginia Housing notification letter to CEO (via Locality Notification Information App)
- b. Local CEO Opposition Letter
- c. Plan of development
- d. Location in a revitalization area based on Qualified Census Tract
- or e. Location in a revitalization area with resolution or by locality
- or f. Location in a Opportunity Zone
- g. Location in a Medium to High level Economic Development Jurisdiction
- h. Location on land owned by Tribal Nation

	Y	0 or -50	0.00
	N	0 or -25	0.00
	N	0 to 10	0.00
	Y	0 or 10	10.00
	N	0 or 15	0.00
	N	0 or 15	0.00
	N	0 or 5	0.00
	N	0 or 15	0.00
Total:			10.00

2. HOUSING NEEDS CHARACTERISTICS:

- a. Sec 8 or PHA waiting list preference
- b. Existing RD, HUD Section 8 or 236 program
- c. Subsidized funding commitments
- d. Tax abatement on increase of property's value
- e. New project based rental subsidy) in Northern Virginia or New Construction pool
- f. Census tract with <12% poverty rate
- g. Development provided priority letter from Rural Development
- h. Dev. located in area with increasing rent burdened population

	Y	0 or up to 5	5.00
	N	0 or 20	0.00
	0.00%	Up to 60	0.00
	Y	0 or 5	5.00
	N	up to 40	0.00
	0%	0, 20, 25 or 30	0.00
	N	0 or 15	0.00
	Y	Up to 20	20.00
Total:			30.00

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			53.00
b. <removed for 2026>			0.00
c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Proximity to public transportation	Y10	0, 10 or 20	10.00
e. Development will be Green Certified	Y	0 or 10	10.00
f. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
g. Developments with less than 100 low income units	N	up to 20	0.00
h. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
i. Meets Target Population Development Characteristics	Y	0 or 10	10.00
Total:			<u>83.00</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$113,500	\$78,100

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	35.22%	Up to 15	0.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			<u>0.00</u>

5. SPONSOR CHARACTERISTICS:

a. <QAP change - removed for 2026 cycle>	N		0.00
b. Veteran Small Business Principal owner 25% or greater	N	0 or 30	0.00
c. Developer experience - uncorrected life threatening hazard	N	0 or -50	0.00
d. Developer experience - noncompliance	N	0 or -15	0.00
e. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
f. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	0.00
g. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
h. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
i. Developer experience - more than 2 requests for Final Inspection	0	0 or -5 per item	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
Total:			<u>0.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 100	44.50
Total:			<u>44.50</u>

7. BONUS POINTS:

a. Extended Use Restriction beyond 15 year compliance period	35 Years	40 or 70	70.00
or b. Nonprofit or LHA purchase option/ ROFR	N	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	10 or 15	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Veteran Owned Small Business Certification	N	up to 10	0.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N	0 or 20	0.00
Total:			<u>75.00</u>

300 Point Threshold - all 9% Tax Credits
 200 Point Threshold - Tax Exempt Bonds

TOTAL SCORE: 242.50

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	40.00
c. LED Kitchen Light Fixtures	2	2.00
d. Cooking surfaces equipped with fire suppression features	2	0.00
e. Bath Fan - Delayed timer or continuous exhaust	3	3.00
f. Baths equipped with humidistat	3	0.00
g. Watersense labeled faucets, toilets and showerheads (without Green Certification)	3	0.00
h. Rehab only: new infrastructure for high speed internet/broadband	5	0.00
i. Each unit provided free individual high speed internet access	15	0.00
j. USB in kitchen, living room and all bedrooms	1	0.00
k. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
l. Provides Permanently installed dehumidification system	5	0.00
m. All interior doors within units are solid core	3	3.00
n. Installation of Renewable Energy Electric system	10	0.00
o. New Construction: Balcony or patio	4	0.00
		<u>53.00</u>
 All elderly units have:		
p. Front-control ranges	1	0.00
q. Independent/suppl. heat source	1	0.00
r. Two eye viewers	1	0.00
s. Shelf or Ledge at entrance within interior hallway	2	0.00
		<u>0.00</u>

Total amenities: 53.00

X. Development Summary

Summary Information 2026 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Commerce Heights

Cycle Type: 4% Tax Exempt Bonds Credits Requested Credit Amount: \$2,664,707
 Allocation Type: New Construction Jurisdiction: Richmond City
 Total Units: 230 Population Target: General
 Total LI Units: 230
 Project Gross Sq Ft: 288,531.00 Owner Contact: Russell Harper
 Green Certified? TRUE

Total Score
242.50

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$40,623,357	\$176,623	\$141	\$2,520,115
Grants	\$2,500,000	\$10,870		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$41,226,419	\$179,245	\$143	63.02%
General Req/Overhead/Profit	\$5,730,202	\$24,914	\$20	8.76%
Other Contract Costs	\$451,695	\$1,964	\$2	0.69%
Owner Costs	\$8,408,432	\$36,558	\$29	12.85%
Acquisition	\$4,600,000	\$20,000	\$16	7.03%
Developer Fee	\$5,000,000	\$21,739	\$17	7.64%
Total Uses	\$65,416,748	\$284,421		

Total Development Costs	
Total Improvements	\$55,816,748
Land Acquisition	\$4,600,000
Developer Fee	\$5,000,000
Total Development Costs	\$65,416,748

Proposed Cost Limit/Sq Ft: \$211
 Applicable Cost Limit/Sq Ft: \$556
 Proposed Cost Limit/Unit: \$264,421
 Applicable Cost Limit/Unit: \$589,015

Income	
Gross Potential Income - LI Units	\$4,110,108
Gross Potential Income - Mkt Units	\$522,100
Subtotal	\$4,632,208
Less Vacancy %	7.00%
	\$324,255
Effective Gross Income	\$4,307,953

Unit Breakdown	
# of Eff	0
# of 1BR	71
# of 2BR	78
# of 3BR	81
# of 4+ BR	0
Total Units	230

Rental Assistance? FALSE

Expenses		
Category	Total	Per Unit
Administrative	\$511,161	\$2,222
Utilities	\$195,888	\$852
Operating & Maintenance	\$170,000	\$739
Taxes & Insurance	\$645,000	\$2,804
Total Operating Expenses	\$1,522,049	\$6,618
Replacement Reserves	\$57,750	\$251
Total Expenses	\$1,579,799	\$6,869

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	230	230
>60% AMI	0	0
Market	0	0

Income Averaging? FALSE

Extended Use Restriction? 50

Cash Flow	
EGI	\$4,307,953
Total Expenses	\$1,579,799
Net Income	\$2,728,154
Debt Service	\$2,520,115
Debt Coverage Ratio (YR1):	1.10

Y. Efficient Use of Resources

If the Combined Max Allowable Credits is \$500,000 and the annual credit requested is \$200,000, you are providing a 60% savings for the program. This deal would receive all 100 credit points.

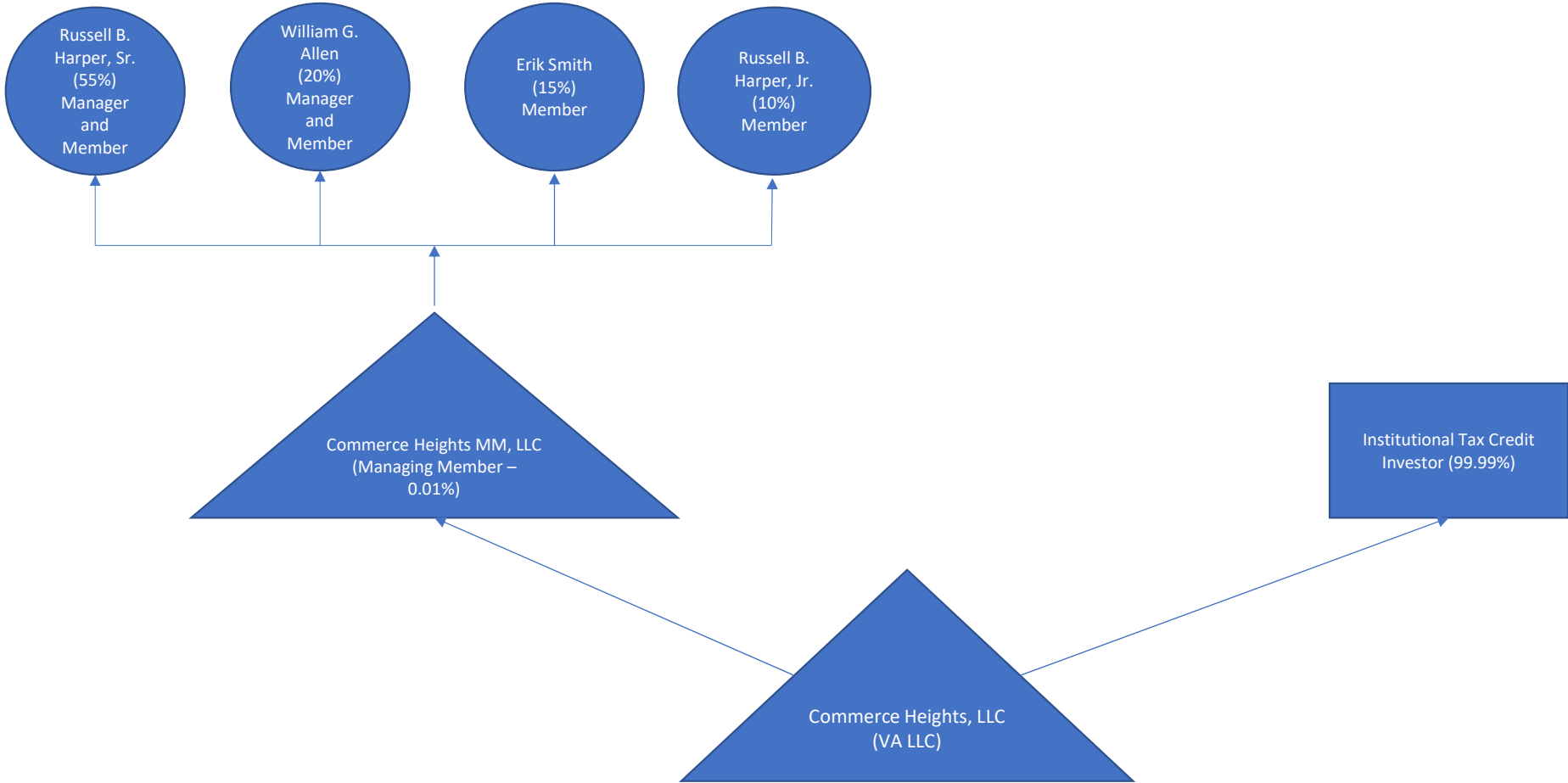
For another example, the annual credit requested is \$300,000 or a 40% savings for the program. Using a sliding scale, the credit points would be calculated by the difference between your savings and the desired 60% savings. Your savings divided by the goal of 60% times the max points of 100. In this example, $(40\%/60\%) \times 100$ or 66.67 points.

Tax Exempt Deals are granted a starting point value greater than zero to allow for the nature of these deals.

Combined Max	\$2,664,707
Credit Requested	\$2,664,707
% of Savings	0.00%
Sliding Scale Points	44.5

Tab A:

Partnership or Operating Agreement, including
Org Chart with percentages of ownership interest



Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, May 8, 2025

This is to certify that the certificate of organization of

Commerce Heights, LLC

was this day issued and admitted to record in this office and that the said limited liability company is authorized to transact its business subject to all Virginia laws applicable to the company and its business.

Effective date: May 8, 2025



STATE CORPORATION COMMISSION

Attest:

A handwritten signature in cursive script, appearing to read "Bernard J. St. John".

Clerk of the Commission

Limited Liability Company - Articles of Organization

Entity Information

Entity Name: Commerce Heights, LLC Entity Type: Limited Liability Company

Business Type

Industry Code: 0 - General

Duration

Perpetual(forever)

Registered Agent Information

RA Type: An Individual who is a
resident of Virginia

Locality: RICHMOND CITY

RA Qualification: Member of the Virginia State Bar

Name: R. Joseph Noble

Email Address: jnoble@williamsmullen.com

The company's registered office address, including the street and number, if any, which is identical to the business office of the registered agent, is:

Registered Office Address: 200 S 10th St Ste 1600,
RICHMOND, VA, 23219 -
4061, USA

Contact Number: N/A

Principal Office Address

Address: 5607 Grove Ave, Richmond, VA, 23226, USA

Principal Information

Management Structure: N/A

Signature Information

Date Signed: 05/08/2025

Executed in the name of the limited liability company by:

Printed Name	Signature	Title
R. Joseph Noble	R. Joseph Noble	Organizer

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

AT RICHMOND, MAY 8, 2025

The State Corporation Commission has found the accompanying articles of organization submitted on behalf of

Commerce Heights, LLC

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF ORGANIZATION

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective May 8, 2025.

The limited liability company is granted the authority conferred on it by law in accordance with the articles of organization, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By

A handwritten signature in black ink, appearing to read "Samuel T. Towell". The signature is written in a cursive style with a long, sweeping tail that extends to the right.

Samuel T. Towell
Commissioner

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Commerce Heights, LLC is duly organized as a Limited Liability Company under the law of the Commonwealth of Virginia;

That the Limited Liability Company was formed on May 8, 2025; and

That the Limited Liability Company is in existence in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

January 12, 2026

A handwritten signature in cursive script, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Tab C:

Syndicator's or Investor's Letter of Intent
(MANDATORY)



January 12, 2026

Harper Associates, LLC
Attn: Erik Smith
5607 Grove Avenue
Richmond, VA 23226

RE: Commerce Heights, Richmond, Virginia (the “Project”)

Dear Mr. Smith:

This letter (this “**Letter**”) expresses the intent of and summarizes the terms and conditions pursuant to which R4 Capital LLC or one of its affiliates (the “**Investor**”) will acquire a membership interest in a to-be-determined Virginia limited liability company (the “**Company**”). The Managing Member (as defined below) agrees and acknowledges that all information provided herein shall be true, correct and complete in all material respects.

1. Project Structure.

The Company has been formed to acquire, own, develop, and operate the Project, which is anticipated to be eligible to claim Low-Income Housing Tax Credits (“**Credits**”) under Section 42 of the U.S. Internal Revenue Code (the “**Code**”). The Company anticipates receiving a reservation of credits for the year 2026 (the “**Determination**”) from the Virginia Housing Development Agency (“**VHDA**” or the “**Credit Agency**”). It is anticipated that the Company will be entitled to receive credits by reason of the Project being financed by tax-exempt volume cap bonds (the “**Bonds**”), which bonds will be issued by VHDA or a similar governmental agency (the “**Issuer**”).

The key parties involved in the Company shall be:

	Party	Name	Ownership Interest in the Company
1	The Company	To-be-determined	N/A
2	Investor	An affiliate of R4 Capital LLC	99.99%
3	Managing Member	An affiliate of Harper Associates LLC	.01%

*The Investor, in certain circumstances, may require the Managing Member to disaffiliate a minimum of 21% of the Managing Member ownership entity to an unaffiliated entity or partner, which unaffiliated entity or partner shall hold no ownership interest in the Developer entity.

Neither the Managing Member nor any person related to the Managing Member may hold any debt owed by the Company or allow any permanent debt to be recourse, if such debt was used to finance any items included in the Company’s Eligible Basis, including the Deferred Developer Fee.

2. Other Project Parties.

A. Developer. An affiliate of Harper Associates, LLC.

- B. Guarantor(s). Russel Harper Sr., Russel Harper Jr., Will Allen, Erik Smith, and/or other entities or individuals acceptable to the Investor. The obligations of the Managing Member set forth in the Operating Agreement, including but not limited to those described herein, shall be guaranteed by the Guarantor(s). From closing until Rental Achievement, the Guarantor(s) will be required to maintain minimum net worth and liquidity of the greater of (i) 25% and 5% of total development costs, respectively, or (ii) \$5 million and \$1 million, respectively.
- C. Property Manager. Gates Hudson Property Management.
- D. General Contractor. A to-be-determined General Contractor. The Managing Member shall obtain a fixed-price contract for the construction of the Project on terms and conditions and with a general contractor acceptable to the Investor, which contract shall provide for a 100% payment and performance bond or letter of credit for not less than 15% of the fixed-price construction contract amount from a banking institution acceptable to the Investor. A minimum of a 5% total construction cost contingency is required (unless a higher amount is required by the Investor after underwriting the Project). It is expected that the construction contingency amount will be outside of the construction contract.

The qualifications and financial condition of each of the foregoing parties must be acceptable to the Investor.

3. Unit Matrix and Project Schedule.

- A. Unit Matrix. The Project will consist of 231 units in 2 (two) residential buildings. It is expected that all of the units will qualify for Credits under Section 42 of the Code, all applicable state and federal regulations and the Determination. The following will be the unit mix and income restrictions of the units:

Unit Type	Number of Units
1 Bedroom / 1 Bath	69
2 Bedroom / 2 Bath	80
3 Bedroom / 2 Bath	82

4. Project Financing. It is anticipated that, in addition to the equity to be provided by the Investor, the Project will be financed with the following loans (the "Loans"):

- A. Permanent Loans. The following permanent loans (the "Permanent Loans") are expected to be made to the Company:
 - i. Berkadia Construction-to-Permanent Loan. A loan in an amount of \$31,262,357 will be provided by Berkadia. This loan will close concurrently with the admission of the Investor into the Company. During the construction period, payments will be interest-only, with a term of not less than 24 months and an estimated interest rate of 6.44% per annum. Upon 100% Construction Completion, payments of principal and interest will commence. This loan will bear interest at a fixed rate of 6.44% per annum with a 480-month term and 480 months of amortization. A commitment for this loan will be in place prior to admission of the Investor to the Company.
 - ii. Berkadia Series B Loan. A loan in an amount of \$9,361,000 will be provided by Berkadia (the "Berkadia Taxable Loan"). This loan will close concurrently with the admission of the Investor into the Company. During the construction period, payments will be interest-only, with a term

of not less than 24 months and an estimated interest rate of 5.50% per annum. Upon 100% Construction Completion, payments of principal and interest will commence. This loan will bear interest at a fixed rate of 5.50% per annum, with a 480-month term and 480 months of amortization. A commitment for this loan will be in place prior to admission of the Investor to the Company.

- iii. AHTF Loan. A loan in the amount of \$1,387,513 will be provided by a lender to be determined. This loan will close concurrently with the admission of the Investor into the Company. This loan will bear interest at a fixed rate of up to the long-term applicable deferral rate (the "AFR") per annum with a 240-month term and be payable solely from Cash Flow and 240 months of amortization. A commitment for this loan will be in place prior to admission of the Investor to the Company. It is assumed that this loan will either be held by an entity that is not a related party of the Managing Member or satisfy the de-minimis exception (26 CFR 1.752-2(d)), and accordingly will constitute qualified non-recourse debt in accordance with Section 465(b)(6).

The terms and conditions of each of the Loans and any other loan to the Company will be subject to the Investor's approval. All Permanent Loans must be non-recourse.

The Managing Member shall not Retire from the Company or sell, assign or encumber its Interest without the Consent of the Investor, and, if required at that time under the Project Documents or Regulations, the consent of the Lenders or other third party; provided, however that so long as one or more of the Principals owns (i) directly 60% or more of the membership interests in the Managing Member and (ii) the Controlling Interest in the Managing Member, the Consent of the Investor shall not be required for the Permitted GP Transfers. Notwithstanding anything else herein to the contrary, the Managing Member may not transfer any interest that would cause any debt to be considered a related party loan.

5. Capital Contributions. Based on the information set forth herein and the materials you previously submitted, and subject to the Investor's satisfactory completion of due diligence (in its sole discretion), the Investor will make aggregate capital contributions (the "Capital Contributions") to the Company (subject to adjustment as provided below) of up to \$23,505,177 based on a contribution amount of \$0.80 per dollar of Investor Housing Credit Share.

The following are definitions for the terms set forth above in the Capital Contribution schedule. All construction completion thresholds prior to 100% Construction Completion will be based on submissions of AIA forms G702/703 (or such forms required by VHDA) and an inspection by the Investor's engineering consultant ("Investor Consultant") and/or the Investor's asset management group as to the progress of the Project, approving the construction and certifying that the work performed to meet such threshold has been permanently made a part of the Project.

- A. 100% Construction Completion. 100% Construction Completion will be deemed to have occurred when (i) the Investor has received a certificate from the Project architect and Investor Consultant that the Project has been completed substantially in accordance with the final plans and specifications (the "Plans") approved by the Investor, (ii) the Project has received a final certificate of occupancy (or its equivalent) permitting occupancy of the entire Project for its intended use, and (iii) the Investor has received a draft certificate from the Project's independent accountant(s) setting forth the initial estimate of the Project's Eligible Basis for Credit purposes, the amount of annual Credits to which the Company is entitled, and that the amount of Bonds financing the Project as of the date the Project was placed-in-service was greater than 50% of the Project's basis in the land and building(s).

- B. Rental Achievement. Rental Achievement will be deemed to have occurred when (i) all of the Project's permanent financing has closed (or will close simultaneously with payment of the Rental Achievement Capital Contribution), (ii) the Investor has received IRS Form 8609 for each building in the Project, (iii) all of the set-aside apartments in the Project have qualified for Credits, (iv) the Project has maintained a physical occupancy rate of at least 93% and a debt service coverage ratio of at least 1.15 to 1.00 (assuming a 7% vacancy factor based on the greater of actual or underwritten assumptions) for three (3) consecutive months, and (v) the Investor has received a certificate from the Project's independent accountant(s) stating the amount of the first year Credits, Eligible Basis, Qualified Basis, Applicable Percentage, the amount of annual Credits to which the Project is entitled, and the Investor Credit Share.
6. Developer Fee. The Developer shall be entitled to a total development fee (the "**Developer Fee**") in the amount permitted by the Credit Agency. It is anticipated that a portion of the Developer Fee (the "**Cash Developer Fee**") will be paid from the Investor's Capital Contributions (and any other mutually agreed upon sources) in installments mutually agreeable to the Company's partners, provided that the payment of the Developer Fee is subordinate to the payment of all of the Company's obligations to third parties and deposits into the Replacement Reserve and the Operating Reserve. Subject to the foregoing and provided that the Investor's projections do not show the need for additional sources of funds to complete the Project, 100% of the Cash Developer Fee will be paid to the Developer upon the Rental Achievement Capital Contribution.
7. Reserves. The Company will fund the following reserves:
- A. Replacement Reserve. Commencing at Rental Achievement, the Company will fund out of Cash Flow a replacement reserve (the "**Replacement Reserve**") in the amount equal to the greater of (i) \$250 per unit per year (subject to the requirements set forth by VHDA), to be increased by 3% annually, (ii) such amount as determined by the Investor during the underwriting of the Project or (iii) such amount as determined necessary by the Investor upon reviews of the physical needs and financial circumstances of the Project, no more frequently than every five years.
- B. Operating Reserve. An operating reserve (the "**Operating Reserve**") in the amount of \$1,528,615 (or such amount equal to six (6) months of operating expenses, replacement reserve deposits, and debt service and subject to the requirements set forth by VHDA) (the "**Minimum Balance**") will be funded upon the Final Capital Contribution. The Operating Reserve will be replenished up to the Minimum Balance from Cash Flow to the extent withdrawals are made. No withdrawals may be made from the Operating Reserve (i) until 60 months after Rental Achievement, (ii) while the Project is maintaining at least break-even operations or (iii) until the maximum amount of the Managing Member's obligation under the Operating Deficit Guaranty (the "**Maximum ODG Amount**") is expended from other sources.
8. Management Fee. Gates Hudson Property Management will be the Project's initial property manager. The Property Manager must have, to the Investor's satisfaction, adequate experience in managing properties eligible for Credits, and the Property Manager will enter into a property management agreement (the "**Management Agreement**") with the Company subject to commercially reasonable terms and conditions including a management fee not to exceed 3.5% of gross rentals (the "**Management Fee**").
9. Transaction Expenses. In addition to any expenses that are the responsibility of the Managing Member, if the transaction does not close due to the actions of the Managing Member, or the inability of the Managing Member to satisfy the Conditions Precedent contained herein, the Managing Member shall be responsible for

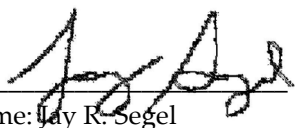
the legal costs incurred by the Investor. Additionally, at the time of closing, the Managing Member shall reimburse the Investor for a portion of its legal and due diligence fees in an amount equal to \$75,000.

[Signature Page to Follow]

Please note that this letter is provided for application purposes only and a final offer will be subject to updated numbers and market conditions at the time of the offer. We wish you success in the application process and look forward to working with you on this transaction.

Very truly yours,

R4 CAPITAL LLC

By: 
Name: Jay R. Segel
Title: Executive Vice President

AGREED AND ACCEPTED THIS
___ day of _____, 2026

Harper Associates, LLC

By: _____
Name: Erik Smith
Title: Vice President

Tab D:

Any Supporting Documentation related to List of LIHTC Developments (Schedule A)

N/A

Tab E:

Site Control Documentation & Most Recent Real
Estate Tax Assessment (MANDATORY)

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement") is made as of the 14th day of January 2026, by and between City Central, LLC (the "Seller") and Commerce Heights, LLC and/or assigns, ("Purchaser"). For purposes of this Agreement, the "Effective Date" is the date on which the last party has signed this Agreement and returned a fully signed copy to the party first signing.

In consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I AGREEMENT TO SELL AND PURCHASE PROPERTY

Section 1.1. The Property. Subject to the terms and conditions of this Agreement, Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller the parcel of land in the City of Richmond, Virginia, commonly known as a portion of 1600 Ingram Avenue Richmond VA which has been assigned the Tax Map Parcel Identification Number S0070836003 by the City of Richmond and is more particularly described in Exhibit A attached hereto as a part hereof (the "Land"), together with (i) all buildings, structures, fixtures and other improvements on the Land (the "Improvements"); (ii) all easements, rights-of-way and appurtenances belonging to the Land and all rights of Seller in the land lying in the bed of any road, street or alley, open or proposed, which adjoins the Land; and (iii) all other property rights relating to the Land and Improvements thereon (the Land, the buildings, and the Improvements thereon collectively referred to as the "Property"). The Property is sold "as is"

Section 1.2. Purchase Price. The purchase price for the Property (the "Purchase Price") shall be Four Million Six Hundred Thousand and 00/100 Dollars (\$4,600,000.00) payable as follows:

A. The sum of Five Thousand and 00/100 Dollars (\$5,000.00) (the "Deposit") shall be paid by cashier's or certified check, wire transfer or other form of immediately available funds by Purchaser to Kensington Vanguard Land Services as the escrow agent (the "Escrow Agent") within three (3) days of the full execution of this Purchase Agreement. The Deposit shall be held by the Escrow Agent in an interest-bearing account until Closing, as hereinafter defined, or disbursement in accordance with the terms of this Agreement. The Deposit shall be transferred to the Settlement Agent for disbursement at Closing along with the balance of the Purchase Price.

B. The sum of Four Million Five Hundred Ninety Five Thousand and 00/100 Dollars (\$4,595,000.00), representing the balance of the Purchase Price shall be paid by cashier's or certified check, or other form of immediately available funds by Purchaser at Closing, as hereinafter defined.

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of Seller. Seller represents and warrants to Purchaser as follows, which representations and warranties are true as of the date of this Agreement and shall be true as of the date of Closing:

(a) Seller's Authority. Seller is a duly organized and validly existing Virginia corporation, and is in good standing. Seller has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereunder. The person signing this Agreement on behalf of Seller has been duly authorized by Seller so to do.

(b) Consents. The execution and delivery of this Agreement do not, and the consummation of the transactions contemplated hereby will not, require any approval, consent, authorization or order of, or filing with, any private party or any governmental agency or body, or violate any law, rule or regulation, or any order, arbitration award, judgment or decree to which Seller is a party or by which it or any of the Property is bound, ~~except Peoples Bank.~~

(c) Seller's Title. Seller owns good, marketable and insurable, fee simple title to the Property, free and clear of all liens, defects and encumbrances except:

(i) Easements and restrictions of record as of the date hereof; and

(ii) Financing secured by the Property, if any, which shall be paid off at or prior to Closing, as hereinafter defined.

(d) Real Estate Agents; Disclosure. INTENTIONALLY DELETED

(e) Contracts. There are no agreements or contracts, including but not limited to those for the sale, option to sell, lease or manage, with respect to the Property and its operation, use and maintenance that will be in effect upon Closing.

(f) Fees and Commissions. Any and all commissions or fees due to any broker, management agent or real estate agent have been paid (or will be paid by Seller prior to or as part of Closing). Except as set forth in this Purchase Agreement, no other brokers or agents are entitled to be paid any commissions or fees in connection with the leasing or sale of the Property.

(g) Property Operations. Without the prior written consent of the Purchaser, which shall not be unreasonably withheld or delayed, Seller shall not enter into any new lease or lease renewals, service contracts or other agreements with respect to the Property nor further encumber the Property. The Property is being sold "as is" and Seller disclaims any representation or warranty as to the physical condition of the Property.

(h) Property Violations. Seller has not received written notice that the Seller is in violation of any building, zoning or other ordinances, resolutions, statutes, or regulations of any government or governmental agencies, with respect to the use, maintenance, condition or operation of the Property or any part thereof. Seller shall promptly give Purchaser written notice if it should receive notice of any of the foregoing.

(i) Existing Insurance. The Seller has in force certain insurance policies covering the Property, copies of which will be provided to Purchaser within seven (7) business days after the Effective Date and which coverage it will keep in effect through Closing.

(j) Pending Legal Actions. To the best of Seller's knowledge, Seller is not in default under any of the Leases, no tenant, previous purchaser or individual, has asserted any claims against Seller and no actions, suits or proceedings have been instituted or are threatened against or affecting the Property at law or in equity or before any federal, state or municipal governmental department, commission, board, bureau, agency or instrumentality.

Section 2.2. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller as follows:

(a) Purchaser's Authority. Purchaser is a duly organized and validly existing corporation under the laws of the Commonwealth of Virginia and is in good standing. Purchaser has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereunder. The person signing this Agreement on behalf of Purchaser has been duly authorized to do so.

ARTICLE III CONDITIONS TO THE PARTIES' OBLIGATIONS

Section 3.1. Study Period. Within five (5) business days following the Effective Date of this Agreement, Seller shall provide Purchaser with the following information to the extent that the same is in the possession, control or custody of Seller (collectively the "Due Diligence Material"):

(a) any and all surveys, inspection reports, property condition reports, lease agreements and environmental reports that are in the possession of Seller or its agents as of the Effective Date or which are subsequently obtained by Seller pursuant to the terms of previous purchase contracts between Seller and other parties. Such Due Diligence Materials shall include all documents that are the right of the Seller under previous purchase contracts, if in possession of the Seller.

(b) Copies of all building plans in its possession.

(c) Any due diligence information in Seller's possession from previous potential purchasers of the Property.

At all times during the Study Period, and, if this Agreement is not sooner terminated pursuant to the provisions hereof, through Closing, Purchaser, its agents, employees, representatives and contractors, at Purchaser's sole cost and expense, shall have the right to enter upon the Property during normal business hours upon giving reasonable notice to Seller to perform such tests, inspections and examinations of the Property as Purchaser deems advisable, including the structural condition of, and all electrical and mechanical systems contained in, the

Improvements, and to make investigations with regard to title to the Property, matters of survey, flood plain of the Property, environmental surveys, utilities availability, zoning and building code and other applicable governmental requirements with regard to the Property and the use thereof. In conducting such investigations, Purchaser, its agents, employees, representatives and contractors, may enter upon the Property and do all things reasonably necessary in connection therewith, provided they do not materially adversely affect the Property or violate the rights of the tenants under the Leases or unreasonably interfere with the use and occupancy of the Property by the tenants. After completing the foregoing investigations, Purchaser and its agents, employees, representatives and contractors shall restore the Property to the same condition in which it existed prior to conducting such investigations.

Purchaser shall have three hundred sixty-five (365) Days following Purchaser's receipt of Due Diligence Materials from the Seller to complete its investigation of the Property (the "Study Period"). Should Purchaser in its sole and absolute discretion find exception to any of the foregoing materials or for any other reason, Purchaser shall have the right to terminate this Agreement by written notice to the Seller prior to the expiration of the Study. In the event Purchaser does not elect to terminate this Agreement prior to the expiration of the Termination Deadline (as defined below) or, if Purchaser does not give written notice of defects or objections, the expiration of the Study Period, the Deposit shall be become non-refundable except as otherwise provided herein, this Agreement shall become firm, and the Purchaser and Seller shall proceed to Closing in accordance with the terms of this Agreement. If prior to the expiration of the Study Period, or of the Termination Deadline provided for below, Purchaser notifies Seller it does not desire to purchase the Property then this Agreement shall be deemed terminated and neither party shall have any liability to the other except for the obligation to return the Deposit to Purchaser, Purchaser's obligation to restore the Property.

Purchaser may elect to give written notice to Seller of objections to or defects in the Property, including any title or survey objections, provided such notice is given prior to expiration of the Study Period. If Seller declines in writing to resolve such matters, then Purchaser may still elect to terminate this Agreement at any time until the expiration of the third (3rd) business day following receipt of notice from Seller declining to cure such objections (the "Termination Deadline") in which event the Deposit shall be promptly returned to Purchaser and neither party shall have any further liability hereunder.

Prior to Closing, Purchaser shall treat all information obtained by Purchaser pursuant to the terms of this Agreement as strictly confidential, shall not disclose any such information to any other person and shall not use any such information for any purpose other than the investigation of the Property so as to confirm its acceptability for purchase hereunder. Notwithstanding the foregoing, Purchaser shall have the right to disclose such information to potential capital sources, its attorneys, accountants, engineers, consultants, and employees.

Section 3.2. Conditions to Purchaser's Obligations. If any of the following conditions are not satisfied on or before the Closing, Purchaser may, at its option, waive any such condition in writing and proceed to the Closing or terminate this Agreement by written notice to Seller, in

which case the Deposit shall be promptly refunded to Purchaser and thereafter none of the parties shall have any further liabilities to the others hereunder:

(i) All of the representations and warranties of Seller hereunder shall be true and correct in all material respects as of the date of Closing.

(ii) There shall have been no material, adverse change in the condition of the Property, including, but not limited to physical and/or environmental.

(iii) Seller shall have performed in all material respects all of its obligations required to have been performed hereunder on or before the Closing.

Section 3.3. Conditions to Seller's Obligations. If any of the following conditions are not satisfied on or before the Closing, Seller may, at its option, waive any such condition in writing and proceed to the Closing or terminate this Agreement by written notice to Purchaser, and in the case of such termination, the Deposit shall be promptly paid to Seller and none of the parties shall thereafter have any further liabilities to the others hereunder except for any provisions hereof that expressly survive termination of this Agreement:

(i) All of the representations and warranties of Purchaser hereunder shall be true and correct in all material respects as of the date of the Closing.

(ii) Purchaser shall have performed in all material respects all of its obligations required to have been performed hereunder on or before the Closing.

ARTICLE IV CLOSING

Section 4.1. Date and Place of Closing. The closing of the transaction contemplated herein (the "Closing") shall take place at the offices of **Kensington Vanguard Land Services** (the "Settlement Agent") no later than Thirty (30) Days after the end of the study period or as otherwise agreed upon by the parties (the "Closing Date").

Section 4.2. Deliveries at Closing.

(a) Deliveries by Seller. At the Closing, Seller shall deliver the following documents to Purchaser, each of which shall be in form and substance reasonably satisfactory to Purchaser:

(i) A special warranty deed conveying to Purchaser good and marketable, fee simple title to the Property (the "Deed").

(ii) Intentionally Deleted

(iii) A standard affidavit as to mechanics' liens and rights of parties in possession in form and content acceptable to Seller, such that Purchaser may obtain an Owner's policy of title insurance at standard rates with affirmative coverage against mechanics' liens.

(iv) A certificate from Seller to the effect that it is not a foreign entity subject to the withholding requirements of the Foreign Investment in Real Property Tax Act.

(v) Keys and access codes (as appropriate) for the Property.

(vi) A closing statement to be executed by Seller and Purchaser, setting forth the prorations and adjustments to the Purchase Price as required by Section 4.3 below.

(vii) Intentionally Deleted

(viii) An assignment of Seller's rights in any un-expired warranties and guarantees now in effect with respect to any part of the Property and/or any mechanical equipment in the Property.

(ix) Intentionally Deleted

(x) Copy of current paid real estate tax bill.

(xi) An indemnity of the Seller (which shall survive Closing) whereby the Seller agrees to indemnify the Purchaser against any and all liability in connection with any accounts payable for work done, materials supplied, or services performed for the construction, removal, repair or improvement of the Property, less and except those persons hired or engaged by Purchaser to perform any testing or evaluations as part of the Purchaser's due diligence, up to the time of Closing.

(xii) A written re-affirmation of Seller's representations and warranties dated as of the Closing Date.

(xiii) Evidence of the authority of Seller and those acting for Seller hereunder, including organizational documents, good standing certificates and resolutions.

(xiv) Such other documents as are customary or which may be reasonably required to consummate the transactions contemplated hereunder.

(b) Deliveries by Purchaser. At the Closing, Purchaser shall deliver the following items to Seller:

(i) The Purchase Price as provided in Section 1.2 of this Agreement, subject to any adjustments made pursuant to Section 4.3 below.

(ii) All reasonably necessary documentation regarding the organizational structure of Purchaser and a copy of a resolution authorizing the purchase of the Property and execution and delivery of the documents contemplated herein.

(iii) Such other documents as are customary or which may be reasonably

required to consummate the transactions contemplated hereunder.

Section 4.3. Prorations and Closing Costs. Real estate taxes for the current fiscal tax year in which the Closing occurs, all storm water assessments, if any, and all other charges and assessments of every kind and nature relating to the Property shall be prorated as of the Closing Date. Purchaser shall be considered the owner of the Property on the Closing Date for purpose of the prorations. Seller shall pay: (i) the Grantor's tax on the Deed; and (ii) the costs of preparing the Deed and other documents Seller is required to deliver at the Closing pursuant to this Agreement. Purchaser shall pay all other costs in connection with acquisition of the Property, including, but not limited to, (i) examining title to the Property and obtaining title insurance; (ii) survey fees and any fees and charges for any investigations conducted by Purchaser during the Study Period; (iii) any and all recording fees, including, state and local recordation taxes and clerk's fees for recording of the Deed and any Loan Documents); and (iv) any and all fees and expenses, if any, charged by any lender making a loan to Purchaser. Each party shall pay its own legal fees and costs.

In the event that final bills are not available or cannot be issued prior to Closing for any item being prorated hereunder under including taxes, then Purchaser and Seller agree to allocate such items on a fair and equitable basis as soon as invoices or bills are available, with final adjustment to be made as soon as reasonably possible after the Closing. Payments in connection with the final adjustment shall be due within thirty (30) days after written notice. Seller shall have reasonable access to, and the right to inspect and audit, Purchaser's books to confirm the final prorations. This Section shall survive the Closing for twelve (12) months.

Section 4.4. Risk of Loss; Possession. The risk of loss or damage to the Property by fire or other casualty before Closing shall be assumed by Seller. Seller shall deliver possession of the Property to Purchaser on the date of Closing in the condition required by this Agreement. The risk of loss or damage to the Property by fire or other casualty after Closing shall be assumed by Purchaser.

If before the Closing a portion of the Property that is not contemplated to be renovated or replaced shall be materially damaged and such damage cannot reasonably be repaired by Seller within thirty (30) days, then Purchaser may terminate this Agreement by written notice to Seller given within ten (10) days after Seller delivers written notice to Purchaser of the damage, and all further rights and obligations of the parties under this Agreement shall terminate and the Purchaser shall receive a refund of the Deposit. If the Closing Date is within the aforesaid thirty (30) day period for Seller to elect to make necessary repairs, then Closing shall be extended to the next business day following the end of said thirty (30) day period. If no such election is made by Purchaser, or if the casualty did not result in "material damage" as defined below, or if the casualty affected only portions of the Property that is contemplated to be renovated or replaced by Purchaser, this Agreement shall remain in full force and effect and the purchase contemplated herein shall be effected with no further adjustment. For the purposes of this Section, the phrases "material damage" and "materially damaged" mean damage exceeding \$100,000 as reasonably determined by the parties.

**ARTICLE V
SPECIAL PROVISIONS**

Section 5.1. Real Estate Commissions. Seller and Purchaser each represent and warrant that no person or entity is entitled to any brokerage commission, finder's fee or similar compensation in connection with the execution and delivery of this Agreement or the consummation of the transaction herein contemplated except as provided in Section 2.1(d) hereof. Seller and Purchaser agree to indemnify and hold harmless the other from and against any and all costs and expenses, including court costs and reasonable attorney's fees, arising out of or related to any claim, demand, or cause of action made or asserted by any other real estate agent, broker or sales person claiming to be entitled to compensation as a result of this transaction or arising out of the acts of the indemnitor. The foregoing indemnity provision shall survive Closing on the Property.

Section 5.2. Eminent Domain. If any portion of the Property shall be taken by eminent domain on or before the Closing, Purchaser at its option may either terminate this Agreement, in which event the Deposit shall be promptly refunded to Purchaser, or proceed to the Closing, in which event Purchaser shall receive all awards paid or payable with respect to such taking.

**ARTICLE VI
DEFAULT**

Section 6.1. Default by Seller. In the event of any default by Seller under this Agreement, Purchaser shall be entitled to (i) terminate this Agreement in which event it shall be entitled to an immediate refund of the Deposit or (ii) Purchaser shall be entitled to specific performance of this Agreement. By the execution of this Agreement, Purchaser acknowledges and agrees that a return of the Deposit or specific performance of this Agreement shall be the only remedies available to Purchaser upon default by Seller. The foregoing shall not, however, limit any recovery to Purchaser for any claim that Seller has breached its warranties and representations hereunder. In such event, Purchaser shall be entitled to seek and recover damages for Seller's breach.

Section 6.2. Default by Purchaser/Liquidated Damages. If Purchaser defaults in its obligations under this Agreement, Seller shall be entitled to receive the Deposit as Seller's sole and exclusive remedy, which is hereby agreed to be adequate liquidated damages for Purchaser's default hereunder, and Seller shall have no other rights or remedies.

Section 6.3. Notice of Default. In the event of a default by either party hereto of any representation or warranty which shall survive Closing, the non-defaulting party shall give the defaulting party not less than ten (10) days written notice of default in the manner required by Section 8.2 hereof, during which time, the defaulting party shall be entitled to cure the default. If the defaulting party does not timely cure or remedy the default then the non-defaulting party shall have the rights and remedies provided for in this Agreement.

**ARTICLE VII
MISCELLANEOUS**

Section 7.1. Assignment/Successors and Assigns. Purchaser's rights under this Agreement shall be assignable by Purchaser to any entity, person, corporation, partnership or other entity affiliated with Purchaser or in which Purchaser, or the principals or affiliate of Purchaser, own a majority interest in and is in control of management. Purchaser shall promptly notify Seller of any such assignment. This assignment may be accomplished by Purchaser without the express written consent of Seller. Any further or other assignment by Purchaser shall require Seller's prior written consent, which Seller shall not unreasonably withhold or delay. Purchaser may also designate one or more nominees to take title to the Property at Closing in which event such nominee or nominees shall be reflected on all Closing documents. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns. In the event of any such assignment or transfer the Purchaser shall not be relieved of any of its obligations listed here in.

Section 7.2. Notices. All notices required or permitted to be given hereunder shall be in writing and sent by overnight delivery service (such as Federal Express), in which case notice shall be deemed given on the day after the date sent, or by personal delivery, in which case notice shall be deemed given on the date received, or by certified mail, in which case notice shall be deemed given three (3) days after the date sent, or by fax (with copy by overnight delivery service), in which case notice shall be deemed given on the date sent, to the appropriate address indicated below or at such other place or places as any party may, from time to time, respectively, designate in a written notice given to the other in the manner described above.

To Purchaser: Commerce Heights, LLC
5607 Grove Ave
Richmond, VA 23226
Attn: Will Allen
Phone No.: 804-514-8753
wallen@hdcva.com

To Seller: City Central, LLC
5607 Grove Avenue
Richmond, VA 2326
Attn: Russell Harper
804.356.4444
rharp@hdcva.com

Section 7.3. Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Virginia.

Section 7.4. Merger. This Agreement constitutes the entire agreement between the parties, supersedes any prior written or oral understanding or agreements and may not be modified except by written instrument executed by all of the parties hereto. Except for the Representations and Warranties with a provision for survival thereof all as provided in Sections 4.3, 5.1 and 7.11 hereof, the Agreement shall be deemed to be merged with the delivery of the Deed.

Section 7.5. Intentionally Deleted

Section 7.6. Counterparts. This Agreement may be executed in several counterparts, including by facsimile, each of which shall be deemed an original, but such counterparts together shall constitute one and the same instrument.

Section 7.7 Time is of the Essence. Time is of the essence with respect to this Agreement and the performance by the parties hereunder.

Section 7.8 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is declared by a court of competent jurisdiction to be illegal or invalid, such illegal or invalid term or provision shall not affect the other terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

Section 7.9 Interpretation. The captions and headings throughout this Agreement are for convenience and reference only and the words contained therein shall in no way be held to define or add to the interpretation, construction or meaning of any provision of this Agreement.

Section 7.10 Recordation. Neither this Agreement nor any memorandum hereof may be recorded or filed. Any attempted recordation of this Agreement or a memorandum hereof by either party shall constitute a material default by such party.

Section 7.11 Attorney's Fees. If any party files an action to enforce the provisions of this Agreement and said party prevails in connection with the action, said party shall be entitled to recover reasonable legal fees and costs incurred by it in connection with such action from the non-prevailing party.

Section 7.12 Authority. Each of the parties to this Agreement represents and warrants that it has full power and authority to execute this Agreement and to perform its obligations herein, and that any and all consents and approvals necessary or required in connection therewith have been obtained.

Section 7.13 Calculation of Time Periods. Unless otherwise specified herein, in computing any period of time, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or a nationally recognized legal holiday or a legal holiday under the laws of the state in which the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m. Eastern Standard Time (EST), or Daylight Savings Time (DST), as then in effect.

[Signature Page to Follow]

WITNESS the following signatures and seals.

SELLER:

CITY CENTRAL, LLC

By: 73H (SEAL)

Name: print name Russell Harper

Its: Manager

Date: 1.15.2026

PURCHASER:

COMMERCE HEIGHTS, LLC

By: [Signature] (SEAL)

Name: Will Allen

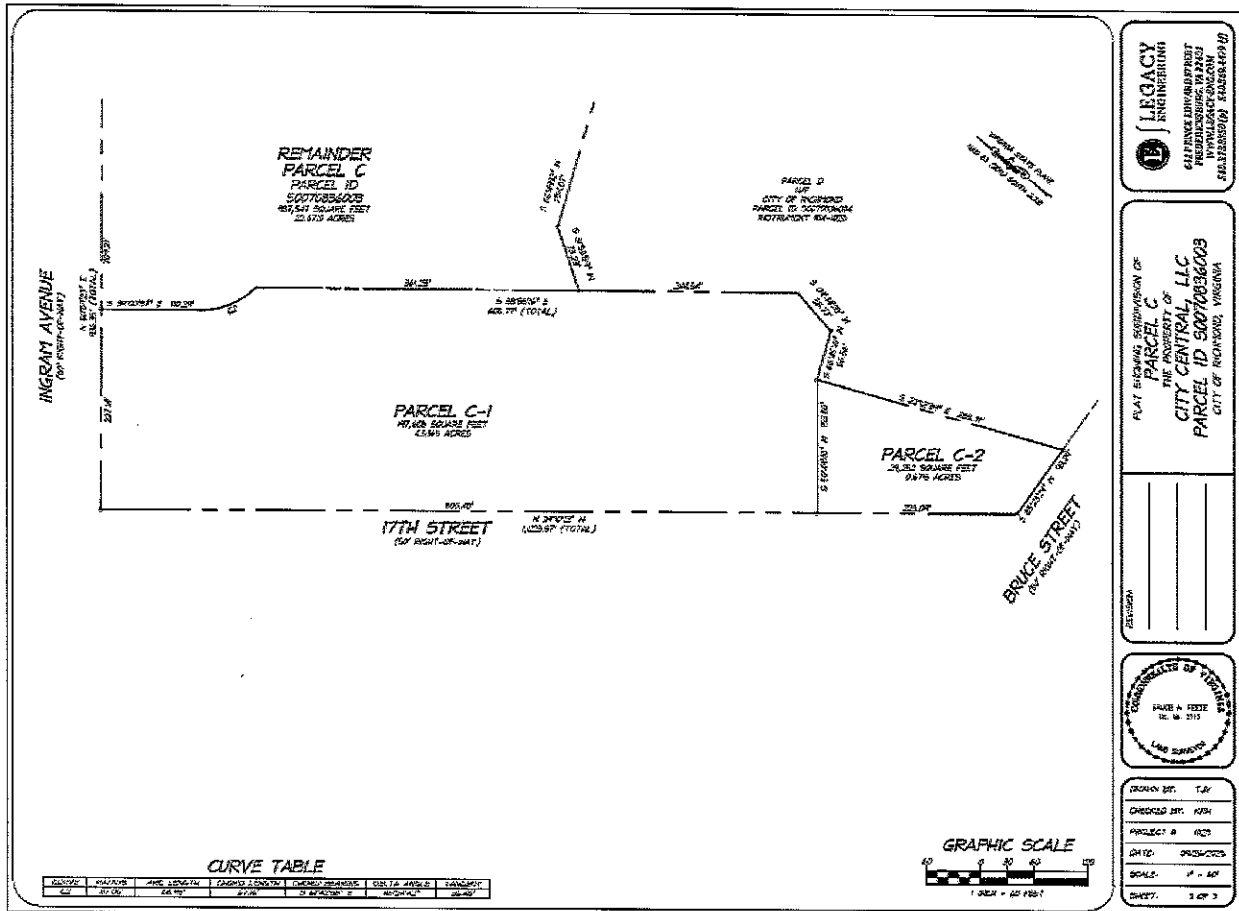
Its: Manager

Date: 1/14/2026

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

The Purchaser and Seller shall agree to the Legal Description of the Land during the Due Diligence period. Below is an exhibit of the proposed ~4.5 acre Property marked as "C-1"





City of Richmond Virginia
Revenue Administration
 PO Box 26505
 Richmond, VA 23261-6505

2025 Second Half Real Estate Tax Bill

Bill Number 25053158

Please record Bill Number in memo section of check
and include in all online banking transactions

CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

Property Information		Tax Information	
Tax Year:	2025	Total Adjusted Annual Charges:	\$19,343.50
Bill Number:	25053158	Current Interest:	\$0.00
Parcel ID Number:	S0070836002	Current Penalty:	\$0.00
Property Address:	1220 Ingram Ave		
Mortgage Company:		Amount Due June 14, 2025	\$19,343.50
Annual Valuation			
Class / Type		Total	
Building		\$828,000.00	
Land		\$2,663,000.00	
Total		\$3,491,000.00	
Summary of Adjusted Annual Charges			
Description	Tax Rate		Annual Charges
REAL ESTATE TAX	\$1.20		\$41,892.00
PAYMENTS RECEIVED TO DATE			-\$22,548.50
Total Adjusted Annual Charges			\$19,343.50

This bill does not show any prior year balances. If your account is delinquent, it may have been turned over to a collection agency.
 Use the enclosed self-addressed envelope. Do not mail cash.
 Please review back of bill for additional information.

U.S. Postal Service postmark must be on or before June 14, 2025 to avoid late payment penalty and interest.
 Return bottom portion with payment. Cancelled check will be your receipt. Retain top portion for your records.



City of Richmond
Revenue Administration
 PO Box 26505
 Richmond, VA 23261-6505

2025 Second Half Real Estate Tax Bill

Bill Number	Amount Due
25053158	\$19,343.50
Parcel ID Number	OFFICE USE ONLY
S0070836002	758061
Due Date	Please Enter Amount Paid
06/14/2025	\$

2025 Second Half Real Estate Tax Bill

2654



Return this portion with your check payable to:

City of Richmond
 PO Box 70622
 Philadelphia, PA 19176-0622

CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

000020&2025525053158900019343508



City of Richmond Virginia
 Division of Collections
 PO Box 26505
 Richmond, VA 23261-6505

2025 First Half Real Estate Tax Bill

Bill Number 25053159

Please record Bill Number in memo section of check
 and include in all online banking transactions



CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

Property Information		Tax Information	
Tax Year:	2025	Total Adjusted Annual Charges:	\$52,608.00
Bill Number:	25053159	Current Interest:	\$0.00
Parcel ID Number:	S0070836003	Current Penalty:	\$0.00
Property Address:	1260 Ingram Ave		
Mortgage Company:		Amount Due January 14, 2025	\$26,304.00
Annual Valuation			
Class / Type		Total	
Building		\$437,000.00	
Land		\$3,947,000.00	
Total		\$4,384,000.00	
Summary of Adjusted Annual Charges			
Description	Tax Rate	Annual Charges	
REAL ESTATE TAX	\$1.20	\$52,608.00	
PAYMENTS RECEIVED TO DATE		\$0.00	
Total Adjusted Annual Charges			\$52,608.00

This bill does not show any prior year balances. If your account is delinquent, it may have been turned over to a collection agency. Use the enclosed self-addressed envelope. Do not mail cash. Please review back of bill for additional information.

U.S. Postal Service postmark must be on or before January 14, 2025 to avoid late payment penalty and interest.
 Return bottom portion with payment. Cancelled check will be your receipt. Retain top portion for your records.



City of Richmond
 Division of Collections
 PO Box 26505
 Richmond, VA 23261-6505

2025 First Half Real Estate Tax Bill

2448



2025 First Half Real Estate Tax Bill

Bill Number	Amount Due
25053159	\$26,304.00
Parcel ID Number	OFFICE USE ONLY
S0070836003	758061
Due Date	Please Enter Amount Paid
01/14/2025	\$

Return this portion with your check payable to:

City of Richmond
 PO Box 71243
 Charlotte, NC 28272-1243

CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

00002082025525053159700026304006



City of Richmond Virginia
Division of Collections
 PO Box 26505
 Richmond, VA 23261-6505

2025 First Half Real Estate Tax Bill

Bill Number 25053159

Please record Bill Number in memo section of check
 and include in all online banking transactions

CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

Property Information		Tax Information	
Tax Year:	2025	Total Adjusted Annual Charges:	\$52,608.00
Bill Number:	25053159	Current Interest:	\$0.00
Parcel ID Number:	S0070836003	Current Penalty:	\$0.00
Property Address:	1260 Ingram Ave		
Mortgage Company:		Amount Due January 14, 2025	\$26,304.00
Annual Valuation			
Class / Type			Total
Building			\$437,000.00
Land			\$3,947,000.00
Total			\$4,384,000.00
Summary of Adjusted Annual Charges			
Description	Tax Rate		Annual Charges
REAL ESTATE TAX	\$1.20		\$52,608.00
PAYMENTS RECEIVED TO DATE			\$0.00
Total Adjusted Annual Charges			\$52,608.00

This bill does not show any prior year balances. If your account is delinquent, it may have been turned over to a collection agency.
 Use the enclosed self-addressed envelope. Do not mail cash.
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 Return bottom portion with payment. Cancelled check will be your receipt. Retain top portion for your records.



City of Richmond
Division of Collections
 PO Box 26505
 Richmond, VA 23261-6505

2025 First Half Real Estate Tax Bill

2448



CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

2025 First Half Real Estate Tax Bill

Bill Number	Amount Due	
25053159	\$26,304.00	
Parcel ID Number	OFFICE USE ONLY	
S0070836003	758061	
Due Date	Please Enter Amount Paid	
01/14/2025	\$	

Return this portion with your check payable to:

City of Richmond
 PO Box 71243
 Charlotte, NC 28272-1243

00002082025525053159700026304006



City of Richmond Virginia
Division of Collections
 PO Box 26505
 Richmond, VA 23261-6505

2025 First Half Real Estate Tax Bill

Bill Number 25053158

Please record Bill Number in memo section of check
 and include in all online banking transactions

CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

Property Information		Tax Information	
Tax Year:	2025	Total Adjusted Annual Charges:	\$41,892.00
Bill Number:	25053158	Current Interest:	\$0.00
Parcel ID Number:	S0070836002	Current Penalty:	\$0.00
Property Address:	1220 Ingram Ave		
Mortgage Company:		Amount Due January 14, 2025	\$20,946.00
Annual Valuation			
Class / Type			Total
Building			\$828,000.00
Land			\$2,663,000.00
Total			\$3,491,000.00
Summary of Adjusted Annual Charges			
Description	Tax Rate		Annual Charges
REAL ESTATE TAX	\$1.20		\$41,892.00
PAYMENTS RECEIVED TO DATE			\$0.00
Total Adjusted Annual Charges			\$41,892.00

This bill does not show any prior year balances. If your account is delinquent, it may have been turned over to a collection agency.
 Use the enclosed self-addressed envelope. Do not mail cash.
 Please review back of bill for additional information.

U.S. Postal Service postmark must be on or before January 14, 2025 to avoid late payment penalty and interest.
 Return bottom portion with payment. Cancelled check will be your receipt. Retain top portion for your records.



City of Richmond
Division of Collections
 PO Box 26505
 Richmond, VA 23261-6505

2025 First Half Real Estate Tax Bill

2447



CITY CENTRAL LLC
 5607 GROVE AVE
 RICHMOND VA 23226

2025 First Half Real Estate Tax Bill

Bill Number	Amount Due
25053158	\$20,946.00
Parcel ID Number	OFFICE USE ONLY
S0070836002	758061
Due Date	Please Enter Amount Paid
01/14/2025	\$

Return this portion with your check payable to:

City of Richmond
 PO Box 71243
 Charlotte, NC 28272-1243

00002082025525053158900020946000

Tab F:

RESNET Rater Certification (MANDATORY)



Appendix F RESNET Rater Certification of Development Plans

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP).

If the plans and specifications do not include requirements to meet the QAP baseline energy performance, those requirements still must be met, even though the application is accepted for credits.

***Please note that this may make the Application ineligible for credits. The Requirements apply to any new, adaptive reuse, or rehabilitated development (including those serving elderly and/or physically disabled households).

In addition, provide HERS rating documentation as specified in the manual.

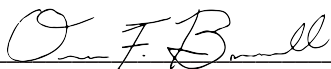
- New Construction** – EnergyStar Certification
The development's design meets the criteria for the EnergyStar Certification. Rater understands that before issuance of IRS Form 8609, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.
- Rehabilitation** – 30% performance increase over existing, based on HERS index.
Or, it must provide evidence of a HERS Index of 80 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.
- Adaptive Reuse** – Must provide evidence of a HERS index of 95 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

Additional Optional Certification


I certify that the development's plans and specifications incorporate all items for the certification as indicated below, and I am an accredited verifier of said certification. If the plans and specifications do not include requirements to obtain the certification, those requirements must still be met, even though the application is accepted for credits. Rater understands that before issuance of IRS Form 8609, the applicant will obtain and provide Certification to Virginia Housing.

- Earthcraft Certification** - The development's design meets the criteria to obtain Earthcraft Multifamily program gold certification or higher.
- LEED Certification** - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.
- National Green Building Standard (NGBS)** - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification
- Enterprise Green Communities**—The development's design meets the requirements stated in the Enterprise Green Communities Criteria for this development's construction type to obtain certification.

*****Please Note Raters must have completed 500+ ratings to certify this form*****

 / Owen Burwell 1/2/2026
 RESNET Rater Signature Printed Name Date

Southern Energy Management Laurie Colwander
 RESNET Provider Agency Provider Contact Name

 919-538-7837
 Contact Signature Email Phone

Tab G:

Zoning Certification Letter (MANDATORY)



Metes and Bounds Description of

Parcel C-1

A Portion of Parcel C, PID #S0070836003

Zoned: B-5

City of Richmond, VA

All that certain Lot or Parcel of Land with improvements thereon, lying and being in the City of Richmond, Virginia, referenced as Parcel C-1, A Portion of Parcel C, PID #S0070836003, and more particularly described as follows:

Beginning at the Westernmost corner of the tract herein described, said point being a stone found lying at the corner of the eastern 50 foot right of way line of 17th Street and of the southern 50 foot right of way line of Ingram Avenue; thence departing 17th Street and running with Ingram Avenue, N 50°59'23" E, a distance of 227.14 feet to a point, said point being a corner to the Now or Formerly (N/F) City Central, LLC, Being the remainder of Parcel C, PID #S0070836003, thence departing Ingram Avenue and running with said Parcel C, PID #S0070836003, the following three (3) courses: (1) S 39°00'37" E, a distance of 110.29 feet to a point, (2) 68.95 feet along the arc of a curve to the left, said curve having a radius of 87.00 feet, a delta angle of 45°24'42" and a chord which bears S 61°42'58" E, a distance of 67.16 feet to a point, (3) thence continuing with said Parcel C, PID #S0070836003 and with the same line extended with the N/F City of Richmond, Parcel D, PID #S0070836004, S 38°55'16" E, a distance of 605.77 feet to a point, thence continuing with said PID #S0070836004, S 09°44'28" W, a distance of 56.73 feet and S 66°45'41" W, a distance of 56.56 feet to a point, said point being a corner to Parcel C-2, a portion of the aforementioned Parcel C, PID #S0070836003, thence departing Said City of Richmond, Parcel D, and running with Parcel C-2, S 50°49'48" W, a distance of 152.80 feet to a point, said point lying on the aforementioned 50 foot right of way line of 17th Street, thence departing said Parcel C-2 and running with 17th Street, N 39°10'12" W, a distance of 800.48 feet to the point of beginning containing 197,608 square feet or 4.5365 acres of land more or less.



Zoning Certification

NOTE TO DEVELOPER: You are strongly encouraged to submit this certification to the appropriate local official **at least three weeks in advance of the application deadline** to ensure adequate time for review and approval

General Instructions:

1. The Local Certification section **must** be completed by the appropriate local official or Civil Engineer.
2. The Engineer **must** be registered in the Commonwealth of Virginia.
3. 'Development Description' should be provided by the Owner.
4. 'Development Address' should correspond to I.A.2 on page 1 of the application.
5. 'Legal Description' should correspond to the site control document in the application.
6. 'Proposed Improvements' should correspond with I.B & D and III.A of the application.
7. 'Other Descriptive Information' should correspond with the information in the application.
8. Any change in this Certification may result in disqualification of the application.

If you have any questions, please contact the Tax Credit Allocation Department at:

taxcreditapps@virginiahousing.com

Zoning Certification

DATE: _____

TO: Virginia Housing
601 South Belvidere Street
Richmond, VA 23220

RE: ZONING CERTIFICATION

Name of Development: _____

Name of Owner/Applicant: _____

Name of Seller/Current Owner: _____

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely to confirm proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely to determine whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credit.

DEVELOPMENT DESCRIPTION:

Development Address:

Leal Description:

Proposed Improvements:

Construction

New Construction:	# Units	_____	# Buildings	_____	Total Floor Area	_____
Adaptive Reuse	# Units	_____	# Buildings	_____	Total Floor Area	_____
Rehabilitation:	# Units	_____	# Buildings	_____	Total Floor Area	_____

Zoning Certification, cont'd

Current Zoning: _____ allowing a density of _____ units per acre, and the following other applicable conditions: _____

Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following a appropriate:

The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.

The development described above is approved for non-conforming use. To the best of my knowledge, there are no zoning violations outstanding on this property, and no further zoning approvals and/or special use permits are required.

Signature

David B. Ellinger

Printed Name

Title of Local Official or Civil Engineer

Phone

Date

NOTES TO LOCALITY:

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please contact the Tax Credit Allocation Department at

taxcreditapps@virginiahousing.com.

Tab H:

Attorney's Opinion (MANDATORY)

WILLIAMS MULLEN

Direct Dial: 804.420.6915
adomson@williamsmullen.com

January 15, 2026

TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2026 Tax Credit Reservation Request (30% present value credits to be paired with Tax-exempt bonds)

Name of Development: Commerce Heights
Name of Owner: Commerce Heights, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated January 15, 2026 (of which this opinion is a part) (the “**Application**”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“**Credits**”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “**Code**”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “**Regulations**”).

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.
4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.
5. Based solely upon my review of (i) the Applicant’s operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant’s Principals which I deemed necessary to issue this Opinion (none of which are attached

January 15, 2026

Page 2

to this Opinion), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("**Virginia Housing**") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by Virginia Housing and may not be relied upon by any other party for any other purpose.

This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.

Williams Mullen



By: _____
Its: Shareholder

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

Based solely upon my review of (i) the Applicant's operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (none of which are attached to this Opinion or included within this Exhibit), the individuals identified below are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

	NAME	TITLE
1	Russell B. Harper, Sr.	Manager of the Sole Member/Manager
2	William G. Allen	Manager of the Sole Member/Manager

WILLIAMS MULLEN

Direct Dial: 804.420.6915
adomson@williamsmullen.com

~~{Insert Date}~~
January 15, 2026

TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2026 Tax Credit Reservation Request (30% present value credits to be paired with
Tax-exempt bonds)

Name of Development: Commerce Heights
Name of Owner: Commerce Heights, LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated January 15, 2026 (of which this opinion is a part) (the “**Application**”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“**Credits**”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “**Code**”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “**Regulations**”).

Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

~~2. {Select One}~~

2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

~~OR~~

~~Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), the calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.~~

~~3. {Select One}~~

3. The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.

OR

~~The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.~~

4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.

5. Based solely upon my review of (i) the Applicant's ~~operating agreement/ partnership agreement~~; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (none of which are attached to this Opinion), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

~~6. [Delete if inapplicable] The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low income housing.~~

~~7. [Delete if inapplicable] The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.~~

~~8. [Delete if inapplicable] It is more likely than not that the representations made in the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.~~

~~9. [Delete if inapplicable] After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code §42(d)(2)(B) are not correct.~~

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("**Virginia Housing**") to issue a reservation of Credits to the Owner. Accordingly, it may be relied upon only by Virginia Housing and may not be relied upon by any other party for any other purpose.

This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.

Williams Mullen

(Add)



By:

Its: Shareholder

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

Based solely upon my review of (i) the Applicant's ~~{operating agreement/
partnership agreement}~~; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (none of which are attached to this Opinion or included within this Exhibit), the individuals identified below are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

	NAME	TITLE
1	<u>Russell B. Harper, Sr.</u>	<u>Manager of the Sole Member/Manager</u>
2	<u>William G. Allen</u>	<u>Manager of the Sole Member/Manager</u>
3		
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20		

Summary report:	
Litera Compare for Word 11.13.0.54 Document comparison done on 1/15/2026 10:54:08 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://williamsmullen.cloudimanager.com/iwovric/150815742/1 - Commerce Heights, LLC - VHDA Reservation Application Opinion.docx	
Modified DMS: iw://williamsmullen.cloudimanager.com/iwovric/150815742/2 - Commerce Heights, LLC - VHDA Reservation Application Opinion.docx	
Changes:	
Add	13
Delete	18
Move From	0
Move To	0
Table Insert	0
Table Delete	18
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	50

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: The following documents need not be submitted unless requested by Virginia Housing:

- Nonprofit Articles of Incorporation
- IRS Documentation of Nonprofit Status
- Joint Venture Agreement (if applicable)
- For-profit Consulting Agreement (if applicable)

N/A

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

N/A

Tab K.1

Revitalization Area Certification

FMR Outlines (Zoom 4+)

Difficult Development Areas (Zoom 7+)

Non-Metro Difficult Development Areas



Small Difficult Development Areas

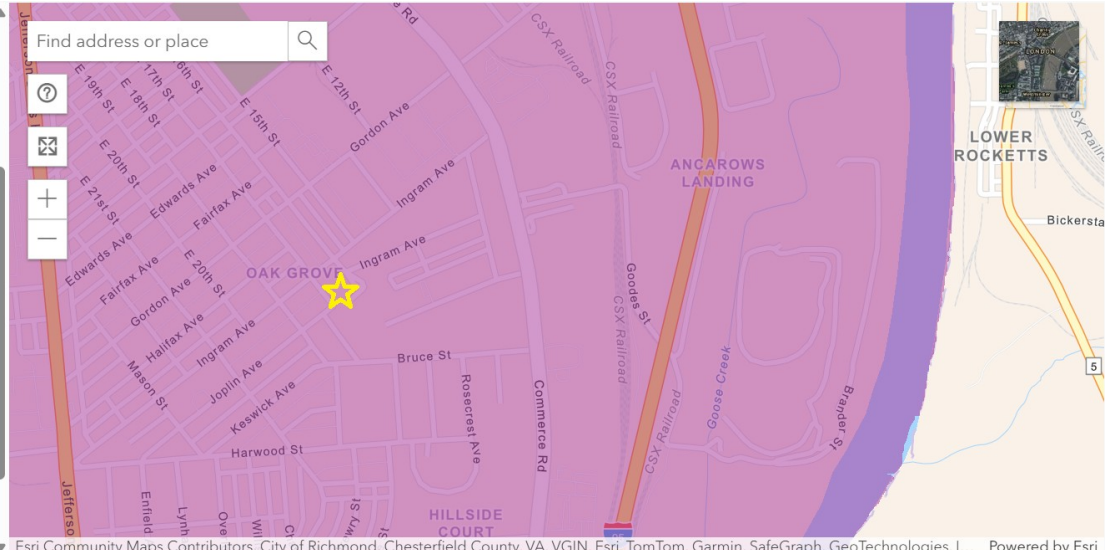
ZCTA Type



Color QCT Qualified Tracts (Zoom 7+)



Find address or place





Surveyor's Certification of Proximity to Transportation

General Instructions

1. This form must be included with the Application.
2. Any change in this form may result in a reduction of points under the scoring system.
3. If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

Date: _____

TO: Virginia Housing
 601 South Belvidere Street
 Richmond, Virginia 23220 2025 Tax Credit Reservation Request
 Name of Development : Commerce Heights
 Name of Owner : Commerce Heights, LLC

RE:

Ladies and Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; OR

1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop or a public bus stop to be built in accordance with existing proffers. If the public bus stop is proffered, include copy of executed proffers with this form.

Firm Name _____

By *L. Mc*

Its _____

Title

Tab L:

PHA / Section 8 Notification Letter

N/A

Tab M:

Intentionally Blank

N/A

Tab N:

Homeownership Plan

N/A

Tab O:

Plan of Development Certification Letter

N/A

Tab P:

Zero Energy or Passive House documentation for
prior allocation by this developer

N/A

Tab Q:

Documentation of Rental Assistance, Tax Abatement
and/or existing RD or HUD Property



CITY OF RICHMOND

DEPARTMENT OF
HOUSING AND
COMMUNITY DEVELOPMENT

December 29, 2025

Virginia Housing
Attn: Phillip Cunningham
601 S. Belvidere Street
Richmond, VA 23220

RE: Affordable Housing Performance Grant – Commerce Heights

Dear Mr. Cunningham,

The Department of Housing and Community Development (HCD) has been informed that Commerce Heights, LLC, a Virginia limited liability company, is submitting a 4% Low-Income Housing Tax Credit reservation application to Virginia Housing on or before January 15, 2025 for its project located on a portion of current tax parcel identification number S0070836003 (the “Project”).

The Project has been approved for the City’s Affordable Housing Performance Grant (AHPG) program which will provide a real estate property tax rebate for up to 30 years, pending approval and recordation of that certain subdivision plat entitled “PLAT SHOWING SUBDIVISION OF PARCEL C THE PROPERTY OF CITY CENTRAL, LLC PARCEL ID S0070836003 CITY OF RICHMOND, VIRGINIA,” dated November 26, 2025 and prepared by Legacy Engineering (the “Subdivision”). The application for the Subdivision was submitted to the City of Richmond, Virginia on November 24, 2025. The Affordable Housing Performance Grant for this Project is fully expected to be approved by Richmond City Council and the Economic Development Authority (EDA).

Subdivision approval is anticipated prior to January 9, 2026. The Affordable Housing Performance Grant for the Project will be introduced to City Council following approval of the Subdivision and is expected to be approved by City Council shortly thereafter and approved by the EDA following City Council approval.

If you have any additional questions, I can be reached via email at merrick.malone@rva.gov.

Sincerely,

Merrick T. Malone

Merrick Malone
Director
City of Richmond, Department of Housing and Community Development

Tab R:

Documentation of Utility Allowance calculation

11/21/2025

Erik Smith

Harper Development Associates

esmith@hdcva.com

Commerce Heights - Utility Allowance Estimation

Please find below an updated Utility Allowance (UA) for Commerce Heights in Richmond, VA.

In order to estimate the electric utility use, we used RESNET standard approved software (ekotrope). Below is the projected electric utility allowance cost that represents the worst case (highest) cost between unit types. The inputs used in the energy modeling were from the preliminary plans and specifications from the ENERGY STAR MFNC v1.1 reference design. Electric utility rates were taken from the most current listed schedules for Dominion Energy in Virginia.

Unit Type	Electricity monthly (worst-case)
1 Bedroom	\$69.00
2 Bedroom	\$85.33
3 Bedroom	\$95.17

Should you have any questions do not hesitate to contact me.

Sincerely,

Benoit Rivard

Operations Manager - Multifamily

RESNET HERS Rater

benoit@southern-energy.com

Southern Energy Management

Fuel Summary

Property

Ingram Avenue
Richmond, VA 23173

Organization

Southern Energy Management
Patrick Schulze

Inspection Status

Results are projected

Commerce Heights_A3 Top

Builder

2025 10-30 Harper Commerce Road - Architec

Annual Energy Cost

Electric	\$828
----------	-------

Annual End-Use Cost

Heating	\$158
Cooling	\$68
Water Heating	\$180
Lights & Appliances	\$331
Onsite Generation	-\$0
Service Charges	\$91
Total	\$828

Annual End-Use Consumption

Heating [Electric kWh]	1,435.9
Cooling [Electric kWh]	613.4
Hot Water [Electric kWh]	1,629.8
Lights & Appliances [Electric kWh]	2,997.6
Total [Electric kWh]	6,676.7
Total Onsite Generation [Electric kWh]	0.0

Peak Electric Consumption

Peak Winter kW	1.53
Peak Summer kW	1.13

Utility Rates

Electricity	Dominion VA 1/25 (ALL Riders)
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Fuel Summary

Property

Ingram Avenue
Richmond, VA 23173

Organization

Southern Energy Management
Patrick Schulze

Inspection Status

Results are projected

Commerce Heights_B1 Top

Builder

2025 10-30 Harper Commerce Road - Architec

Annual Energy Cost

Electric	\$1,024
----------	---------

Annual End-Use Cost

Heating	\$202
Cooling	\$92
Water Heating	\$237
Lights & Appliances	\$403
Onsite Generation	-\$0
Service Charges	\$91
Total	\$1,024

Annual End-Use Consumption

Heating [Electric kWh]	1,854.7
Cooling [Electric kWh]	828.0
Hot Water [Electric kWh]	2,152.9
Lights & Appliances [Electric kWh]	3,653.3
Total [Electric kWh]	8,489.0
Total Onsite Generation [Electric kWh]	0.0

Peak Electric Consumption

Peak Winter kW	2.06
Peak Summer kW	1.44

Utility Rates

Electricity	Dominion VA 1/25 (ALL Riders)
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Fuel Summary

Property

Ingram Avenue
Richmond, VA 23173

Organization

Southern Energy Management
Patrick Schulze

Inspection Status

Results are projected

Commerce Heights_C1 Top

Builder

2025 10-30 Harper Commerce Road - Architec

Annual Energy Cost

Electric	\$1,142
----------	---------

Annual End-Use Cost

Heating	\$245
Cooling	\$119
Water Heating	\$250
Lights & Appliances	\$437
Onsite Generation	-\$0
Service Charges	\$91
Total	\$1,142

Annual End-Use Consumption

Heating [Electric kWh]	2,270.7
Cooling [Electric kWh]	1,065.1
Hot Water [Electric kWh]	2,281.3
Lights & Appliances [Electric kWh]	3,968.8
Total [Electric kWh]	9,585.9
Total Onsite Generation [Electric kWh]	0.0

Peak Electric Consumption

Peak Winter kW	2.50
Peak Summer kW	1.69

Utility Rates

Electricity	Dominion VA 1/25 (ALL Riders)
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Tab S:

Supportive House Mandatory
Certification and Documentation

N/A

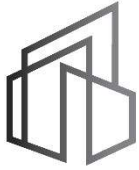
Tab T:

Funding Documentation

N/A

Tab U:

Acknowledgement by Tenant of the availability of Renter
Education provided by Virginia Housing



HARPER ASSOCIATES

5607 Grove Avenue
Richmond, VA 23226
804-282-6550
Harper-associates.com

(Resident Name)
(Address)
(Apartment XXX)
(City, State Zip)

Month, XX, XXXX

Dear (Resident),

This letter is to inform tenants that free renter education is available through Virginia Housing's website at [Housing Education for Renters in Virginia](#). This information includes a Renter eBook guide, Fair Housing Resources, Renter Rights and Responsibilities, and an Online Learning Center.

Topics included in the Renter eBook guide include:

1. Financial Readiness
2. Ins and Outs of Credit
3. Apartment or House Searches
4. The Application Process
5. Understanding the Lease Agreement
6. Security Deposit Management
7. Renter's Rights and Responsibilities
8. Housekeeping, Maintenance, & Repairs
9. Terminating a Lease

By signing below, I acknowledge that (Insert Property Management Firm) has informed me of these free resources.

Best,

Resident Name: _____

Resident Signature: _____

Date: _____

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

N/A

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: The following documents need not be submitted unless requested by Virginia Housing:

- Nonprofit Articles of Incorporation
- IRS Documentation of Nonprofit Status
- Joint Venture Agreement (if applicable)
- For-profit Consulting Agreement (if applicable)

N/A

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

N/A

Tab K.1

Revitalization Area Certification

FMR Outlines (Zoom 4+)

Difficult Development Areas (Zoom 7+)

Non-Metro Difficult Development Areas

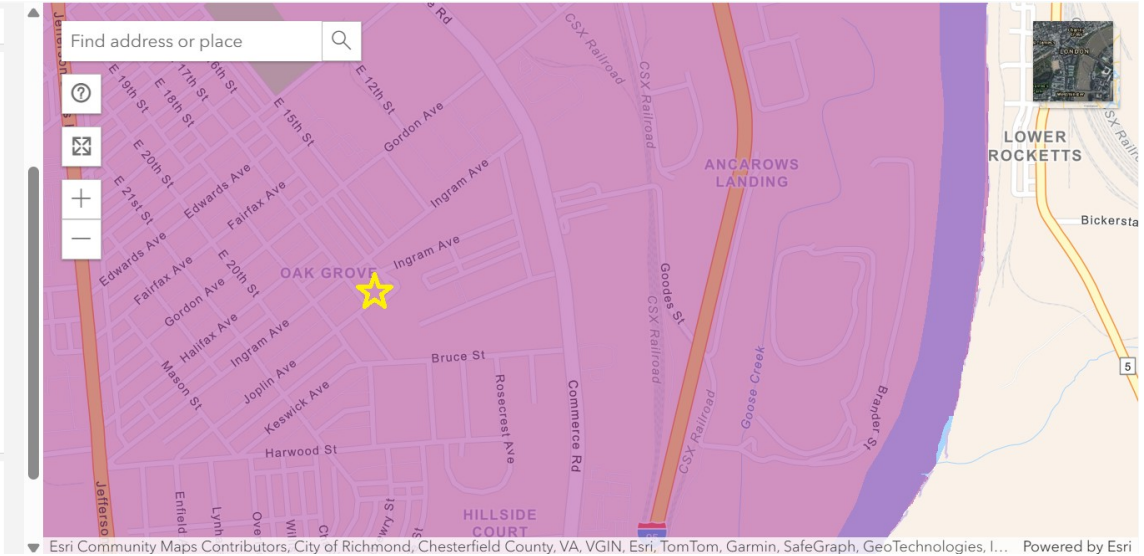


Small Difficult Development Areas

ZCTA Type



Color QCT Qualified Tracts (Zoom 7+)





Surveyor's Certification of Proximity to Transportation

General Instructions

1. This form must be included with the Application.
2. Any change in this form may result in a reduction of points under the scoring system.
3. If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com.

Date: _____

TO: Virginia Housing
 601 South Belvidere Street
 Richmond, Virginia 23220 2025 Tax Credit Reservation Request
 Name of Development : Commerce Heights
 Name of Owner : Commerce Heights, LLC

RE:

Ladies and Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; OR

1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop or a public bus stop to be built in accordance with existing proffers. If the public bus stop is proffered, include copy of executed proffers with this form.

Firm Name _____

By *L. Mc*

Its _____

Title